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NATIONAL FEDERATION OF
INDEPENDENT BUSINESS

147498



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NATIONAL FEDERATION OF INDEPENDENT BUSINESS
(A NON-PROFIT ORGANIZATION)

OFFICIAL GIFT MEMBERSHIP
RECEIPT NO.

201384

GIFT MEMBERSHIP DATE 4 10 74 AMOUNT \$ 18.00
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PAY
TYPE

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M.S.V.

MEMBER 10 FIRST NAME DOCTOR MIDDLE INITIAL SHERMAN LAST NAME

FIRM 49 SHERMAN RESEARCH LABORATORY 79

MAILING ADDRESS 2 1 SOUTH CHASE (P.O. BOX NUMBER IF AVAILABLE) 32

CITY 22 TOLEDO STATE OH ZIP CODE ? 29

BUSINESS ADDRESS 2

CITY 22 STATE 29 ZIP CODE 29

BUSINESS COUNTY 20 LUCAS 79

DIVISION P177 AUTHORIZED SIGNATURE John P. Dunn

FORM NO. N-100

75 CHAPTER 78 2 CONG. DIST. 74

FULL PAYMENT
FOR ONE YEAR
VOTING
MEMBERSHIP

Thank You . . .

You have now joined the many other Independent Businessmen in your community expressing their views to their congressional representatives through the Federation.

An acknowledgement card will be mailed to you within a few days after your membership has been reported to us. To avoid errors, if not received in three weeks, kindly notify:

**National Federation of Independent
Business**

150 West 20th Avenue
San Mateo, Calif. 94403

Your views will be expressed through your participation in Mandate balloting.

WASHINGTON LEGISLATIVE OFFICE
920 - 922 Washington Building
Washington, D.C. 20005

**NO FURTHER OBLIGATION IS ASSUMED BY
MEMBER OR FEDERATION**

NATIONAL FEDERATION OF INDEPENDENT BUSINESS

CK

CA

DATE

2 / 1

AMOUNT

\$

36.50

NAME

R W OBITTS

FIRM

OBITTS CHEMICAL CO

MAIL
ADD.

P O BOX 375

CITY

ELYRIA

STATE

OH 44035

BUS.
ADD.
CITY

142 LOCUST STREET

ELYRIA

STATE

OH 44035

John J. Dunn
DISTRICT MANAGER

OFFICIAL RECEIPT No.

00442720

THANK YOU

This is your receipt for payment in full for one year of Voting Membership.

Maximum amount accepted \$500.00 per year.

All Voting Memberships qualify for same privileges regardless of amount.

No further obligation is assumed by Member or the Federation.

**YOUR
MEMBERSHIP
FEE
IS TAX
DEDUCTIBLE**

Dear Member:

Your past membership and Mandate vote have helped bring many victories to Independent Business that otherwise would not have been possible.

To better assist your Congressman to help you . . .

VOTE REGULARLY

**National Federation of Independent
Business**

(A NON-PROFIT ORGANIZATION)

**150 West 20th Avenue
San Mateo, Calif. 94403**

**Your views will be expressed through
your participation in Mandate balloting.**

**WASHINGTON LEGISLATIVE OFFICE
920-922 Washington Building
15th and New York Avenue, N.W.
Washington, D.C. 20005**

CK
CA

**NATIONAL FEDERATION OF
INDEPENDENT BUSINESS**

MEMBER DUES \$ 60.00
SPON MEM \$ _____
TOTAL \$ 60.00

DATE 4/10/75
NAME R W OBITTS-JAMES FREEMAN
FIRM OBITTS CHEMICAL CO
MAIL ADD. P O BOX 375
CITY ELYRIA STATE OH 44035
BUS. ADD. 142 LOCUST STREET
CITY ELYRIA STATE OH 44035

*Paid
4-10-75
OK \$11769
OK \$60.00*

John P. Dunn
DISTRICT MANAGER

OFFICIAL RECEIPT NO.
00886783

THANK YOU

This is your receipt for payment in full for one year of Voting Membership.

Maximum amount accepted \$500.00 per year.

All Voting Memberships qualify for same privileges regardless of amount.

No further obligation is assumed by Member or the Federation.

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**National Federation of Independent
Business**

(A NON-PROFIT ORGANIZATION)

**150 West 20th Avenue
San Mateo, Calif. 94403**

**Your views will be expressed through
your participation in Mandate balloting.**

**WASHINGTON LEGISLATIVE OFFICE
490 L'Enfant Plaza East, S. W.
Washington, D. C. 20024**

NATIONAL



FEDERATION OF INDEPENDENT BUSINESS

150 West Twentieth Ave., San Mateo, California 94403. TELEPHONE: (415) 341-7441
HOME OFFICE: SAN MATEO, CALIFORNIA; LEGISLATIVE OFFICE: WASHINGTON, D. C.

WILSON S. JOHNSON, President

We want to express our sincere thanks to you for giving a one-year membership in NFIB. We have, today, sent the recipient a gift package which includes an explanatory letter, a current Mandate, a membership plaque and other informative literature.

At the expiration of all one-year gift memberships, we invite the recipients to a continuing membership in NFIB with, of course, no further obligation to you. The more individuals in business that we can get to express their opinions on key business legislation, the more it will strengthen our efforts as our Washington Staff contacts members of Congress and key government officials.

With the escalating cost of welfare, the present effort to increase the minimum wage, the added cost of scheduled and unscheduled increases in Social Security taxes, and the continuing threat of creeping inflation along with other vital issues, we must strive harder to correct, at least in part, some of the many problems affecting independent business.

Again, we want to thank you for your support of the Federation in its effort to render an ever more effective service to small business.

Sincerely,

WILSON S. JOHNSON
President

To:

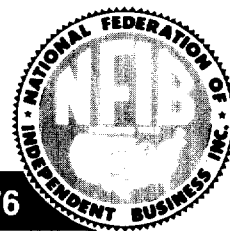
R W OBITTS-JAMES FREEMAN
OBITTS CHEMICAL CO
P O BOX 375
ELYRIA, OH 44035

Regarding your generous gift of membership to:

DOCTOR SHERMAN
SHERMAN RESEARCH LABORATORIES
1 SOUTH SAINT CLAIRE
TOLEDO, OH 43602

THE Mandate

No. 376



Published by: National Federation of Independent Business — The Largest Individual Membership of any Business Organization in the United States

Conference Scheduled

"The Spirit of '75 . . . A Declaration of Independents" is the theme for the NFIB's second National Conference to be held in Washington, D. C., June 15 through 18, 1975.

In announcing the Conference and its theme, Federation President Wilson S. Johnson pointed out that the United States, in 1975, will be starting its bi-centennial celebration.

"It is appropriate," Mr. Johnson said, "for this Federation to devote its 1975 National Conference to both looking back and looking ahead." American Independent Business will stand united in 1975 when the NFIB convenes in the Nation's Capital, he stated, "to forge a new DECLARATION OF INDEPENDENTS, looking toward platform recommendations for small business at the 1976 political conventions . . . a series of far-reaching recommendations to guide the American businessman creatively as he enters America's second 200 years."

Mr. Johnson urged all NFIB members to be in Washington, D.C., June 15 through 18, 1975, to participate in the Federation's second National Conference. Information may be obtained by writing the home office in San Mateo, Calif.

1775 THE SPIRIT OF '75..... 1975



...A Declaration of Independents

Solid Progress, and More Ahead!



Before 1973 ends, let me hasten to thank you.

The year 1973 has been one of improvement, expansion and solid progress by your Federation—thanks in great measure to your active support and involvement.

I have already reported to you on legislative activities at Washington. Your Washington Staff continues active on many fronts—pension plan reform, proposed energy-crisis programs, Small Business Administration opera-

tions, metric conversion bills, OSHA, and many more items important to your business.

A special Education Department (described elsewhere in this Mandate) has been established to work more closely with teachers and students, emphasizing the important role played by smaller, independent enterprise.

Your Federation's State and Local Affairs Department has expanded operations substantially. Experimental programs have been tested in several jurisdictions. With proper evaluation they have proven to be of substantial benefit to members, and the Department is ready to move forward in other areas.

Member involvement in legislative activities has been continued as

a significant source of support both at Washington and the state level. Professionally-supervised economic research programs are moving forward. Data being produced will be most helpful at all governmental levels. For instance, the special, professionally-supervised survey on the minimum wage early this year was most helpful in blocking an increase this year.

I wish it were possible for me to thank each and every one of you personally for your contribution, but since this obviously cannot be done, I again express my appreciation, and extend my best wishes of the Season.

I look forward to working with you more effectively for smaller, independent enterprise during all the days and weeks of the coming year.

With all best wishes.

Sincerely,

WILSON S. JOHNSON,
President.

NEW PUBLICATION OF INTEREST

Relocating your retail business? Setting up a second site? Location is most important. The Small Business Administration's "Using a Traffic Study to Select a Retail Site" could be helpful. Free from your closest SBA, or write to us.

ness Administration's "Using a Traffic Study to Select a Retail Site" could be helpful. Free from your closest SBA, or write to us.

1

Are you FOR or AGAINST payment of Federal compensation to businesses whose products become banned by government?

Argument for the proposal:

Government decisions made in the public interest, as in banning certain ingredients, should carry the responsibility of helping affected businesses. The sudden 1969 ban on cyclamates, previously on a "safe" list, caused great losses to producers of some products. New products developed at great cost can be banished from the marketplace by administrative determination—often not without controversy. Companies deserve compensation for banished products unless they are negligent. Otherwise, such government regulations can ruin a business, large or small.

Argument against the proposal:

Opponents contend that government cannot undertake to pay losses sustained on products, not only because of the amounts that may be involved, but because this could lead to relaxation of business safeguards and research before introduction of products. Manufacturers shoulder certain risks with any new product. Why should taxpayers pay when a dangerous product is banished? Regulatory agencies would be faced with a new consideration—the cost to government—when their decisions should be based only on product safety and available evidence.

For

☐

Against

☒

No Opinion

☐

2

H.R. 5257. Provide a Federal Right to Work law for all 50 states, barring all forms of compulsory union membership. (Rep. Steiger, Ariz.)

Federal law prohibits a closed shop, but allows state discretion in outlawing the union shop.

Argument for H.R. 5257:

Compulsory union membership through a union shop, requiring any new employee to join a union if not already a member, denies basic freedom of choice to workers and is the major source of union funds. National Right to Work legislation would eliminate compulsory union membership in favor of voluntary unionism, giving all employees the right to choose whether or not to join a union. This bill would curb union power and remedy some of the worst abuses of organized labor.

Argument against H.R. 5257:

This is a blatantly anti-labor bill. In order to effectively represent workers, unions need strength in numbers. When a union is able to secure a union shop through bargaining, it can act more decisively to achieve gains for employees. Where unions have been elected by a company's employees, Congress has given exclusive bargaining rights for all employees. Workers in the bargaining unit who are not union members must accept terms agreed to by union and employer. Since all workers benefit, all should pay dues to support collective bargaining.

For

☒

Against

☐

No Opinion

☐

3

S. 2237. Remove statutory limitations which exempt labor organizations from three principal antitrust laws. (Sen. Thurmond, S.C.)

Argument for S. 2237:

Congress enacted the Sherman and Clayton Antitrust Acts to protect the public from monopolistic practices. Labor unions, then weak and struggling, were exempted by Congress and court decisions. Unions are undeniably "big business" now and act in monopolistic ways to restrain trade, often against the public interest. Labor union monopoly power is not compatible with a free-market economy and has led to low productivity, inflation and other economic ills. Price fixing, boycotts and industry collusion are illegal for businesses; they should be equally illegal for unions.

Argument against S. 2237:

Making unions subject to antitrust laws would be a setback for unions and limit their ability to achieve gains for members. Unions must be able to cooperate in bargaining efforts to match the power of corporate giants. It is unrealistic to apply laws written for business to organizations representing employees. Union activities are limited by such laws as the National Labor Relations Act, Taft-Hartley and Landrum-Griffin. This proposal is frankly aimed at reducing union power, under the guise of protecting the public.

For

☒

Against

☒

No Opinion

☐

FOR

S. 1098. (Title I, Sec. 107) Provide consolidated collection of Federal taxes from businesses once a month if the required total deposit does not exceed \$7,000 a month. (Sen. Bible, Nev.)

A business may find itself subject to different periods for employment taxes (Social Security and employees' income tax withholding), estimated income tax on the business, unemployment tax and Federal excise tax.

Argument for S. 1098:

Employers must now comply with four Federal tax collection schedules, each with a different set of rules for the time of deposit. Simplification and consolidation, as proposed, would allow most small and average businesses to deposit once a month, easing the present paper work burden and expense involved. Small businesses suffer inordinately from complex tax deposit regulations. Often they cannot afford full-time accounting help and are apt to miss a deadline and be fined. The employment tax deposit deadline is too short for many businesses.

Argument against S. 1098:

Separate deposit schedules have been established for compliance considerations and to help government's cash flow and thus minimize borrowing. A business may pay employment taxes twice a month, but estimated income tax four times a year. While monthly consolidated deposits might be more convenient for businesses, they would add to government enforcement problems by superimposing another schedule—for small business only—atop existing schedules. Some businesses would not know whether tax liability is under \$7,000 until the forms are completed.

For ☒ Against ☐ No Opinion ☐

H. R. 1672. Establish a Federal grants program to provide Federal cooperation and assistance in establishing and strengthening State and local offices of consumer protection. (Rep. Rosenthal, N. Y.)

This bill would extend the authority of the Advisory Council for Intergovernmental Relations and the Secretary of Health, Education and Welfare into consumer protection.

Argument for H. R. 1672:

The purpose of this bill is to help direct and finance consumer protection offices at state and local government levels, and foster inter-governmental cooperation. The Commission may study and evaluate state and local consumer programs so it can recommend ways to make them more effective and active. Grants would be made to programs which provide consumer information, study problems of low-income consumers, represent consumer interests and mediate disputes between consumers and business. Our free market economy can gain by increased assistance to consumers.

Argument against H. R. 1672:

This bill would establish a new layer of Washington bureaucracy, offering Federal aid to state and local government offices whose plans are acceptable to the HEW Secretary. The authorized \$5 million worth of grants the first year would likely be just "the start." Failure to comply with all requirements of the bill, or to implement an approved plan would result in a cutoff of funds. This is how the Federal role in Aid to Families with Dependent Children welfare began. State and local spending for consumer protection, if any, should remain free of Washington control and financing.

For ☐ Against ☒ No Opinion ☐

Results of Mandate 375

This National summary of votes has been sent to all Congressmen, Senators, Governors, Congressional committees and key officials in the Executive Branch of the Government.

1. S. 2008, Sec. 4-b-3. Require that all states provide workmen's compensation coverage for all employees of private industry.

For	Against	No Opinion
39%	56%	5%

2. S. 2008, Sec. 4-b-4 and -5. No time or dollar maximum limitations on the type or extent of medical care or rehabilitation services in any case, nor on benefits for job-related death or total disability.

For	Against	No Opinion
14%	82%	4%

3. S. 2008, Sec. 4-b-6. Establish for disabled workers, or surviving dependents, a benefit of two-thirds the employee's average weekly wage.

For	Against	No Opinion
23%	73%	4%

4. S. 2008, Sec. 4-b-8. When job injury causes death or a disabled person dies, provide compensation to the widow or widower for life or until remarriage, and to surviving children until 18 years old.

For	Against	No Opinion
21%	75%	4%

5. S. 2008, Sec. 4-b-11. Periodic adjustment of benefits, at least annually, to reflect added coverages and higher average wage levels.

For	Against	No Opinion
23%	72%	5%

Our Purpose and Program:

To promote and protect our system of private business, with equal rights for all.

To give small business a greater voice in laws governing business and our nation.

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*That our Nation remain the Land of Opportunity by giving
Independent Business Fair Consideration.*

Washington and Small Business

by NFIB staff

NFIB Awards to 74 Congressmen

Thirty-three Members of Congress have received State Man of the Year Awards from the Federation. Awards are based on 1972 voting records; specifically, their conformity with NFIB legislative positions as determined by membership Mandate voting. The State Man of the Year plaque denotes the best record among that state's Washington delegation. The recipients are:

ALABAMA	Rep. Jack Edwards
ARIZONA	Senator Paul J. Fannin
ARKANSAS	Rep. John Paul Hammerschmidt
CALIFORNIA	Rep. Del Clawson
COLORADO	Senator Peter H. Dominick
FLORIDA	Senator Edward J. Gurney
GEORGIA	Rep. Ben B. Blackburn
IDAHO	Senator James A. McClure
ILLINOIS	Rep. Philip M. Crane
INDIANA	Rep. David W. Dennis
IOWA	Rep. William J. Scherle
KANSAS	Rep. Keith G. Sebelius
KENTUCKY	Rep. Tim Lee Carter
LOUISIANA	Rep. Joe D. Waggoner, Jr.
MARYLAND	Rep. William O. Mills
MICHIGAN	Rep. Garry Brown
MINNESOTA	Rep. Ancher Nelsen
MISSISSIPPI	Rep. G. V. Montgomery
MONTANA	Rep. Richard G. Shoup
NEBRASKA	Rep. Dave Martin
NEW HAMPSHIRE	Senator Norris Cotton
NEW YORK	Senator James L. Buckley
NORTH CAROLINA	Rep. Earl B. Ruth
NORTH DAKOTA	Senator Milton R. Young
OHIO	Rep. Walter E. Powell
OKLAHOMA	Rep. John N. Happy Camp
PENNSYLVANIA	Rep. George A. Goodling
SOUTH CAROLINA	Rep. Tom Gettys
TENNESSEE	Rep. LaMar Baker
TEXAS	Rep. O. C. Fisher
VIRGINIA	Rep. J. Kenneth Robinson
WISCONSIN	Rep. Vernon W. Thompson
WYOMING	Senator Clifford P. Hansen

An additional 41 Congressmen have been recognized for excellent voting records, with presentation of NFIB's Guardian of Small Business awards:

ALABAMA: Rep. William L. Dickinson, Rep. John Buchanan.
 FLORIDA: Rep. J. Herbert Burke, Rep. C. W. Young, Rep. Paul G. Rogers.
 GEORGIA: Rep. Jack Brinkley, Rep. Robert Stephens, Jr.
 INDIANA: Rep. Earl F. Landgrebe, Rep. Roger H. Zion.
 IOWA: Rep. H. R. Gross, Rep. Wiley Mayne.
 KANSAS: Rep. Larry Winn, Jr., Sen. Robert Dole.
 MARYLAND: Rep. Goodloe E. Byron.
 MICHIGAN: Rep. Guy Vander Jagt, Rep. Elford A. Cederberg.
 MINNESOTA: Rep. Bill Frenzel.
 MISSISSIPPI: Rep. Jamie L. Whitten, Sen. John C. Stennis.
 NEBRASKA: Sen. Carl T. Curtis, Rep. Charles Thone.
 NEW HAMPSHIRE: Rep. James C. Cleveland, Rep. Louis C. Wyman.
 NEW YORK: Rep. James R. Grover, Jr., Rep. Carleton J. King.
 NORTH CAROLINA: Rep. James T. Broyhill, Rep. Roy A. Taylor.
 OHIO: Rep. Clarence J. Brown, Rep. Clarence E. Miller.
 OKLAHOMA: Rep. John Jarman.
 PENNSYLVANIA: Rep. Herman T. Schneebeli, Rep. Albert W. Johnson.
 SOUTH CAROLINA: Rep. James R. Mann, Sen. Strom Thurmond.
 TENNESSEE: Rep. James H. Quillen, Rep. John J. Duncan.
 TEXAS: Rep. Bill Archer, Rep. Omar Burleson.
 VIRGINIA: Rep. W. C. "Dan" Daniel, Rep. David Satterfield, III.
 WISCONSIN: Rep. Glenn R. Davis.

NEW: Education Dept.

The Federation recently established an Education Department to develop programs in the interest of independent business, to be made available to the nation's schools. Some of these will relate to the teaching of economics and the principles of the free enterprise system.

Appointment of Charles Heatherly as Director of Education has been announced by President Wilson S. Johnson. He comes to the position with six years' experience as a Regional Director of the Intercollegiate Studies Institute, Bryn Mawr, Pennsylvania, and an impressive educational and student activities background.

IRS Study Completed

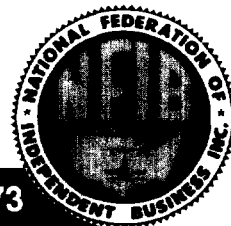
Bombarded with complaints about problems caused by the change, several years ago, in regulations governing deposit of withheld taxes, the Internal Revenue Service set up a Task Force to study possible corrections. This study is complete but the Treasury Department has not made any announcement yet.

Petroleum 'Hotline'

Petroleum retailers: Feel you're not receiving your fair share of gasoline or oil? Then contact, directly, the Monitoring Program, Voluntary Oil Allocation Program, Interior Department, Washington, D. C. (telephone 202-254-8040). While this agency cannot compel suppliers, it has been successful many times in reasoning with them about corrections. Over 4,000 firms have asked for help. If you call, tell us about the results.

THE Mandate

No. 373



Published by: National Federation of Independent Business — The Largest Individual Membership of any Business Organization in the United States

Concern About Newest Controls

Federation President Wilson Johnson, in a strong letter to President Nixon, urges that Administration policy planners consult with small business representatives in planning Phase IV economic controls.

The result: The Federation met with Secretary of Commerce Frederick Dent in New York City July 9. Our Washington office is maintaining contacts with the Executive Branch seeking fair consideration.

'Economic Disaster' Loans Get Backing

Flat predictions are being made that the Small Business Administration will soon be authorized to make low-interest, long-term "economic disaster" loans to small businesses faced with the necessity of making ANY structural or operational plant changes due to new Federal laws.

This is a key section of S. 1672, which has passed the Senate and awaits House approval. Your Federation has made strong testimony before Committees in both Houses, urging passage.

Strategy Planned

The food-stamps-for-strikers issue is still on the front burner. Your Washington Staff has received strong backing from members of the NFIB National Advisory Council in key Congressional districts . . . districts where a vote might be won for eliminating this strike welfare. Our Washington office is planning strategy on this measure.

NFIB Gives Factual Data On 'Energy Crisis' Effects

Your Federation has completed first tabulation of a special survey on the "energy crisis" as it affects small business—retailers and wholesalers of various fuel products—and data is being disseminated to all concerned . . . Congressional Committees, Executive Branch agencies and officials, and the press.

Many gasoline and fuel oil businesses are being driven to the wall by actions of their suppliers, the survey shows.

Tax Guide Advice

At the invitation of the Senate Small Business Committee, your Federation is represented on a panel to advise the Internal Revenue Service and Treasury Department on ways and means of simplifying and clarifying the guidance contained in the Treasury's "Tax Guide for Small Business." NFIB Secretary Bruce Fielding and Treasurer T. L. Kuchenritter presented the views of NFIB and its members in Washington July 9.

SCORE May Help!

Have a nagging business problem? Who doesn't! But if you would like expert advice don't forget the SCORE program offered by the Small Business Administration. SCORE . . . that's Service Corps of Retired Executives, a volunteer consulting service to small businesses. Contact your nearest SBA office for this management assistance.

The Federal Trade Commission, completing a lengthy study, expressed great interest in the NFIB's data from an anti-monopoly standpoint. The Federation will make a statement before the Oil Policy Committee, during hearings aimed at a firmer, fairer policy on oil and gas allocations.

The Federation's survey has generated much press publicity. The State and Local Programs Department conferred with Governors, during the National Governors Conference, seeking their support on the problem. In short, everything possible is being done to protect the interests of our members endangered by industry actions.

The FTC's long-awaited report said oil companies have restricted supplies and acted as "classic monopolies." A separate study covers proposed action.

Copy Us On OSHA

If you receive any questionnaire from the Occupational Safety and Health Administration or the National Institute of Occupational Safety and Health (HEW), please send a copy of your response to the Federation and so note on the questionnaire. Kindly do the same on any correspondence you may have with either agency.

This will help emphasize your Federation's involvement on this issue and will give us information to work more pointedly on OSHA at Washington.

1

H. R. 8600, Section 2. Establish for all 50 states a minimum unemployment insurance benefit equal to one-half of worker's average weekly wage, with maximum benefit at least two-thirds of the state-wide average wage.

This would raise benefits in many states for medium- and high-salaried persons. If the state's average wage were \$120 per week, maximum benefit would be at least \$80, payable to those earning \$160 and above.

Argument for H. R. 8600, Sec. 2:
Unemployment benefits in many cases are not adequate in relation to a worker's usual wage. Families are often unable to meet basic living expenses. Most states do provide benefits equal to one-half usual wages, up to their dollar-maximums. But 40 percent of all covered workers find state maximums of \$50 to \$70 deny them this "half-income". States have failed to raise benefits, so the Federal government must mandate them in this bill. Increased benefits help maintain consumer purchasing power and help sustain business in hard times, and permit the worker to find the job for which he is best qualified, rather than taking whatever is available.

Argument against H. R. 8600, Section 2:
Opponents object to Congress imposing minimum standards upon the states, who would lose authority under this bill. Raising benefits to 50 percent of wages and raising the ceilings enacted by state legislatures would increase unemployment insurance costs, unless benefit claims decline, and most likely result in higher tax levies against employers. Increasing benefits would dampen the incentive to look for work. And increased costs would be passed on, whenever possible, adding inflationary pressure. States are best able to determine benefits.

For	Against	No Opinion
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

2

H. R. 8600, Section 3. Provide that unemployment compensation shall NOT be paid to any person who the State determines is a striker under the law of that State.

Argument for H. R. 8600, Sec. 3:
Payment of unemployment benefits to striking employees is a serious abuse of the unemployment compensation system. Increasingly, States have permitted such benefits, by expanding the definition of "unemployed". Not only is this a taxpayers' subsidy for strikes, but it unbalances labor-management negotiations, easing pressures on labor. This legislation would end the practice and blunt organized labor's efforts to get more States to pay benefits to strikers. Strikes should be financed only by union funds.

Argument against H. R. 8600, Section 3:
Here again, the Federal government would impose constraints upon States. Employees who find it necessary to forfeit their paychecks when management will not agree to a new contract are without employment, at least temporarily. Many States have elected to grant unemployment benefits so that the economy will not be crippled. Congress should not legislate to prevent such payments; action can be taken at the State level. An individual union member often has little to say about a strike or when he will return to work, so unemployment benefits are proper.

For	Against	No Opinion
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3

H. R. 8600, Section 3. This section would also prevent unemployment compensation being denied to any person, unemployed as a result of a labor dispute, but not a strike participant.

Argument for H. R. 8600, Sec. 3:
It is unjust to pay unemployment benefits to a striker—or to a worker laid off due to economic circumstances beyond his control—and not pay a worker laid off due to a labor dispute in which he is equally helpless. Idled nonstrikers deserve the income protection which the system can provide. To be put out of work because of a strike at another company or by a union to which one does not belong and be unable to draw benefits is a serious injustice. It would be up to the State to determine, for sure, that a person was not participating in a sympathy walkout, or otherwise involved.

Argument against H. R. 8600, Section 3:
What this legislation would "correct" may or may not be occurring in specific states. States now have some discretion and authority to decide such matters, which this Federalization would take away. If nonstrikers deserve income protection from unemployment compensation funds, State legislatures can provide it. Since this H. R. 8600 measure would broaden benefit eligibility to those not generally eligible now, it could result in increased payments out of unemployment funds, possibly causing a higher tax on employers.

For	Against	No Opinion
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4

H. R. 8600, Section 4. Bring agricultural workers under the Federal-State unemployment system, except those employed by small farmers and excluding aliens.

Argument for H. R. 8600, Sec. 4:
Agriculture is an increasingly important industry, and an increasing percentage of its workers no longer are their own bosses. Wages and job security are low. These workers need the protection of unemployment insurance, which was originally denied on grounds that it was not administratively feasible to cover thousands of family-operated farms. This measure would still exclude the smallest farms, while providing benefits in time of need to the majority of farm laborers. In most states, this additional coverage would be self-financing by the newly taxed employers of these people.

Argument against H. R. 8600, Section 4:
The problems of farm industry employees are so unique they should be handled by separate legislation. Work is seasonal in most cases, and workers migrate to different areas to keep employed. To provide unemployment benefits would discourage such movement and result in tax-subsidized periods of idleness. Unless the policy of allowing strikers to collect benefits were changed, this section of the bill could have far-reaching repercussions, in view of farm labor organizing. The tax on the newly covered employers might lead to higher food costs.

For	Against	No Opinion
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5

Are you FOR or AGAINST imposing firm controls on prices and wages at all levels, without exception, for an indefinite period?

Argument for the proposal:
Since Phase II Wage and Price controls ended early this year, the inflation rate has soared. Phase III "voluntary" guidelines for the 650 largest companies and a flexible guideline on wages failed completely. Proponents want prices and wages to be restricted, with strong enforcement to achieve a goal of not over 3% per year inflation... the original economic controls goal. Unless strong measures are imposed, inflation will likely lead to a major recession. Firm but fair controls, with notification and justification of increases, are what's needed.

Argument against the proposal:
Opponents believe no controls will work, that only a true free-market, supply-demand economy will stabilize prices. Controls hamper market forces which would bring stability, so it is better to go through this adjustment than try to regulate prices and wages. Experience after World War II controls bears this out. Price freezes or rigid controls tend to create shortages and lead to rationing. Without controls, rising prices will discourage purchases and tip the supply-demand balance so prices come down. Better yet: improve the free-market economy by ending business and labor monopolies.

For	Against	No Opinion
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Results of Mandate 372

This National summary of votes has been sent to all Congressmen, Senators, Governors, Congressional committees and key officials in the Executive Branch of the Government.

- | | | | |
|--|------------|----------------|-------------------|
| 1. H. R. 2600. Provide a settlement procedure for threatened transportation strikes, with a panel selecting the final offer from either management or labor. | For
85% | Against
9% | No Opinion
6% |
| 2. S. 1147 (Sec. 3). Amend OSHA to provide a procedure allowing an employer to contest a citation and penalty on grounds of safe working conditions. | For
88% | Against
8% | No Opinion
4% |
| 3. S. 780. Amend Clayton Act to make it unlawful to sell goods at unreasonably low prices to eliminate competition. | For
62% | Against
28% | No Opinion
10% |
| 4. U. S. import tariffs be based upon the difference between wages paid in the country of origin and those paid in the U. S. | For
30% | Against
59% | No Opinion
11% |
| 5. H. R. 1666. Label durable consumer products as to performance life under normal use. | For
41% | Against
52% | No Opinion
7% |

Our Purpose and Program:
To promote and protect our system of private business, with equal rights for all.
To give small business a greater voice in laws governing business and our nation.

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*That our Nation remain the Land of Opportunity by giving
Independent Business Fair Consideration.*

Washington and Small Business by NFIB staff

Minimum Wage Hike Advances

Strong testimony on the damage a higher minimum wage would do to small business and employment was presented by Government Affairs Director Fred Williford before the Senate Labor Committee.

Meanwhile, the House, which had blocked enactment of a minimum wage increase in 1972, reversed its stand and voted for a liberal and costly bill. This despite the Federation's call to members of its National Advisory Council to let their Congressmen hear their opinions. Reportedly, rural area opposition was turned around in some cases by a promise by pro-labor big city Congressmen to vote for farm legislation if a farm-area Congressman voted for the minimum wage increase.

This shapes up as a tough battle, with the Senate inclined to go along with the House. The Washington Staff is resolved to press the case of independents on this issue and not "give up".

During debate, June 6, on the Minimum Wage legislation, the House rejected a moderate substi-

tute for the Committee-reported bill. The Federation supported the "Erlenborn substitute". Check below to see how your Congressman

stood on the substitute. An "aye" vote is in favor of the moderate measure — and your Federation's position. A "noe" is against it.

How Congress Voted Down Substitute Bill

AYES — 199

Abdnor	Gettys	Powell, Ohio
Anderson, Ill.	Goldwater	Preyer
Andrews, N. C.	Goodling	Price, Tex.
Archer	Gross	Quie
Arends	Grover	Quillen
Armstrong	Gubser	Railsback
Ashbrook	Gude	Randall
Bafalis	Gunter	Regula
Baker	Guyer	Rhodes
Beard	Haley	Roberts
Blackburn	Hammerschmidt	Robinson, Va.
Bowen	Hanrahan	Robison, N.Y.
Bray	Harsha	Rogers
Brinkley	Harvey	Roncallo, N.Y.
Broomfield	Hastings	Rose
Brotzman	Hébert	Roussetot
Brown, Mich.	Henderson	Ruppe
Broyhill, N.C.	Hinshaw	Ruth
Broyhill, Va.	Hogan	Sandman
Buchanan	Holt	Satterfield
Burgener	Holmer	Scherle
Burke, Fla.	Huber	Schneebeli
Burleson, Tex.	Hudnut	Sebelius
Butler	Hunt	Shoup
Byron	Hutchinson	Shriver
Camp	Ichord	Shuster
Casey, Tex.	Jarman	Sikes
Cederberg	Johnson, Pa.	Skubitz
Chamberlain	Jones, N.C.	Smith, N.Y.
Chappell	Jones, Okla.	Snyder
Clancy	Jones, Tenn.	Spence
Claussen, Don H.	Kazen	Stanton, J. William
Clauson, Del.	Keating	Steelman
Cleveland	Ketchum	Steiger, Ariz.
Cochran	King	Steiger, Wis.
Collier	Kuykendall	Stephens
Collins	Landrum	Stubblefield
Conable	Latta	Stuckey
Conlan	Lent	Symms
Coughlin	Lott	Talcott
Crane	McClary	Taylor, Mo.
Daniel, Dan	McCollister	Taylor, N.C.
Daniel, Robt. W., Jr.	McEwen	Teague, Calif.
Davis, Wis.	McSpadden	Thomson, Wis.
de la Garza	Madigan	Thone
Dellenback	Mahon	Treen
Dennis	Mallory	Vander Jagt
Derwinski	Mann	Veysey
Devine	Martin, Nebr.	Waggonner
Dickinson	Martin, N.C.	Wampler
Dorn	Mathias, Calif.	Ware
Downing	Mathis, Ga.	White
Duncan	Mayne	Whitehurst
du Pont	Michel	Whitten
Edwards, Ala.	Millford	Wiggins
Erlenborn	Miller	Wilson, Bob
Esch	Mizell	Winn
Eshleman	Montgomery	Wylder
Flowers	Moorhead, Calif.	Wyllie
Flynt	Myers	Wyman
Ford, Gerald R.	Nelsen	Young, Fla.
Fountain	Nichols	Young, Ill.
Frellinghuysen	O'Brien	Young, S.C.
Frenzel	Parris	Young, Tex.
Frey	Pettis	Zion
Froehlich	Pickle	Zwack
Fuqua		

NOT VOTING — 15

Blatnik	Kemp	Rarick
Bolling	Leggett	Rooney, N.Y.
Brown, Ohio	Millis, Ark.	Stokes
Carter	Minshall, Ohio	Towell, Nev.
Fisher	Patman	Young, Ga.

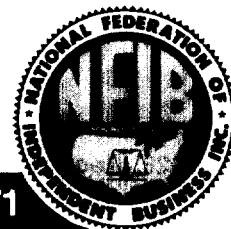
NOES — 218

Abzug	Gonzalez	O'Neill
Adams	Grasso	Owens
Addabbo	Gray	Passman
Alexander	Green, Oreg.	Patten
Anderson, Calif.	Green, Pa.	Pepper
Andrews, N. Dak.	Griffiths	Perkins
Annuizio	Hamilton	Peysner
Ashley	Hanley	Pike
Aspin	Hanna	Poage
Badillo	Hansen, Idaho	Podell
Barrett	Hansen, Wash.	Price, Ill.
Bell	Harrington	Pritchard
Bennett	Hawkins	Rangel
Bergland	Hays	Rees
Bevill	Hechler, W. Va.	Reid
Biaggi	Heckler, Mass.	Reuss
Bieber	Heinz	Riegle
Bingham	Helstoski	Rinaldo
Boggs	Hicks	Rodino
Boland	Hillis	Roe
Brademas	Holifield	Roncalio, Wyo.
Brasco	Holtzman	Rooney, Pa.
Breaux	Horton	Rosenthal
Breckinridge	Howard	Rostenkowski
Brooks	Hungate	Roush
Brown, Calif.	Johnson, Calif.	Roy
Burke, Calif.	Johnson, Colo.	Roysal
Burke, Mass.	Jones, Ala.	Runnels
Burlison, Mo.	Jordan	Ryan
Burton	Karth	St. Germain
Carey, N.Y.	Kastenmeier	Sarasin
Carney, Ohio	Kluczynski	Sarbanes
Chisholm	Koch	Saylor
Clark	Kyros	Schroeder
Clay	Landgrebe	Seiberling
Cohen	Lehman	Shipley
Conte	Litton	Sisk
Conyers	Long, La.	Slack
Corman	Long, Md.	Smith, Iowa
Cotter	Lujan	Staggers
Cronin	McCloskey	Stanton, James V.
Culver	McCormack	Stark
Daniels, Dominick V.	McBade	Steed
Danielson	McFall	Steele
Davis, Ga.	McKay	Stratton
Davis, S.C.	McKinney	Studds
Deaney	Macdonald	Sullivan
Dellums	Madden	Symington
Denholm	Mailliard	Teague, Tex.
Dent	Maraziti	Thompson, N.J.
Diggs	Matsunaga	Thornton
Dingell	Mazzoli	Tierman
Donohue	Meeds	Udall
Drinan	Melcher	Ullman
Dulski	Metcalfe	Van Derlin
Eckhardt	Mezvisky	Vanik
Edwards, Calif.	Minish	Vigorito
Eilberg	Mink	Waldie
Evans, Colo.	Mitchell, Md.	Walsh
Evins, Tenn.	Mitchell, N.Y.	Whalen
Fascell	Moakley	Widnall
Findley	Molloy	Williams
Fish	Moorhead, Pa.	Wilson, Charles H., Calif.
Flood	Morgan	Wilson, Charles, Tex.
Foley	Mosher	Wolf
Ford, William D.	Moss	Wright
Forsythe	Murphy, Ill.	Wyatt
Fraser	Murphy, N.Y.	Yates
Fulton	Natcher	Yatron
Gaydos	Nedzi	Young, Alaska
Gialmo	Nix	Zablocki
Gibbons	Obey	
Gilman	O'Hara	
Ginn		

In 1790, our national debt was \$75½ million. Today, in the nation's 198th year, it stands above \$450 billion . . . an increase of 6,000 per cent. As we approach the 200th anniversary, is this anything to celebrate?

THE Mandate

No. 371



Published by: National Federation of Independent Business — The Largest Individual Membership of any Business Organization in the United States

Minimum Wage Threats Disclosed By Survey, Study

In its report to Congress on its recently-concluded special survey on the Minimum Wage, your Federation is stressing several critical findings: (1) that severe injury would be done to part-time workers; (2) that were the \$250,000 sales volume exemption lowered to \$150,000 and the minimum raised to \$2.20 an hour, over 50% of the small business work-force would be directly affected; (3) that for a \$2.00 minimum from half to two-thirds of the labor force currently earning about \$2.00 would require wage increases.

Your Federation's report concludes: "An increase in the minimum at this time is certainly not consistent with (the general national goal) to 'find work for the poor.' Only those employable at higher wages will benefit from it (undoubtedly, this is why labor unions favor such an increase). The poor, including the unskilled and the elderly, will find jobs increasingly difficult to get."

This survey was written, supervised, and analyzed for your Federation by Faculty Associates, San Mateo, Calif. The research team was directed by Dr. Richard M. Bailey, University of California, former staff economist of the President's Council of Economic Advisors, and former Chief Economist, Policy-Planning Division, NASA. Working with him were: Dr. William C. Dunkelberg, School of Business Administration, Stanford University, Economic Survey Specialist; Barbara

(Continued on back)

SBA, Rural Job Development Boosted in NFIB Testimonies

The tempo of Washington Staff activities quickens as Congress gets down to business: Three additional testimonies before Congressional committees and two statements to committees in line with Mandate voting.

In a recent appearance before a subcommittee of the Senate Committee on Banking, Housing and Urban Affairs, NFIB Government Affairs Director Fred Williford urged enactment of S. 804 which would direct the Small Business Administration to make long-term, low-interest loans to independents facing new investments due to mandatory Federal environmental and consumer-protection laws; and S. 1113, a measure to increase the SBA's loan assistance fund.

On March 27, your Federation warned a subcommittee of the Senate Committee on Agriculture and Forestry that the tax incentive approach is the best means to

attract new plants to depressed rural areas, and thereby provide additional jobs. "Rural America," your Federation stated, "is almost totally dependent on small business for goods, services, and non-agricultural jobs (and) at the same time rural America is the home of a majority of the nation's small businesses."

On April 11, Mr. Williford testified before the House Committee on Agriculture on a bill which would forbid distribution of food stamps to families of striking workers. Such allowances, he argued, constitute Federal subsidization of strikes.

Meanwhile, statements were submitted to other Committees urging that Congress move cautiously on changing over to the metric system, since many small firms might be saddled with impossible financial burdens; and in support of H. R. 1997, a bill which would provide an income tax deduction of up to \$750 a year for residential improvements.

Latest reports are that the Subcommittee on Banking, Housing, and Urban Affairs is inclined favorably to S. 804 and S. 1113. Moreover, informed sources predict that insofar as the changeover to metric is concerned it will be primarily on a voluntary basis, where it is to the businessman's advantage to do so. And the Washington Staff is actively seeking Senate support for its drive on Rural Job Development.

Post Office Hearings

Sen. Gale McGee, Wyoming, advises your Federation that his Senate Post Office and Civil Service Committee has begun an intensive investigation of Postal Service policies and services, and that it will go into the question of competition with independent stationers. The Federation has been hammering away at Washington on the question. Our position: Independents need less, not more, government competition!

1

S. 1028. Require that employees have the right to vote by secret ballot on the question whether to strike, and whether a strike should continue. (Sen. Curtis, Nebr.)

Argument for S. 1028:

Legislation to require a "strike vote" of union members would provide a democratic decision in place of what is usually a union leadership decision. When a vote is taken, it is usually by a show of hands of those attending a meeting. The employee has no opportunity to assess the employer's "final" offer. Equally important, the bill would allow a secret ballot on continuation of a strike after 30-day intervals. Voting would be conducted by the National Labor Relations Board, and in all likelihood strikes would be less costly to both employees and management.

Argument against S. 1028

Opponents contend that this is anti-labor legislation, which would impose procedures where they are not needed. It would involve the government more deeply in labor negotiations. Labor unions operate democratically with their own bylaws and rules concerning strike calls. Union leaders are often in a better position to say whether a strike should be called, or continued, than union members. Under the bill, the union, employer or 10 per cent of the union employees could petition to require a vote, and an employee would lose his job if he took part in a strike after a majority vote against a strike.

For

☐

Against

☐

No Opinion

☐

2

S. 1249. Limit Occupational Safety and Health Administration inspectors to issuing a notice of violations and allow businesses a reasonable time (at least 90 days) to comply with corrective measures clearly spelled out. (Sen. Curtis, Nebr.)

Argument for S. 1249:

The power of OSHA inspectors to impose penalties upon first inspections is unfair—possibly a violation of due process of law or even unconstitutional. Such power, given to a single person, is resulting in harassment of business in the name of safety and health. A businessman who honestly tries to comply and find all violations may still miss some or not make the correct interpretation. This modification, so that the employer has time to comply and is told what must be done, would change OSHA to a proper role. The hard-working business owner has a right to due process under the law. OSHA has gone further than Congress intended.

Argument against S. 1249

Congress authorized the Labor Department to write regulations to achieve higher standards of safety and health in industry. The inspector's power to fine puts teeth into a law which otherwise might be ignored. If businesses could not be fined until after a second inspection, there would be no reason to comply beforehand. Safety improvements and necessary investments could be delayed. Since it will be many years before every business can be inspected, immediate compliance requires that penalties be imposed whenever a business is found not up to OSHA standards. Critics may call this "rigid" or "punitive", but the welfare of employees is at stake.

For

☐

Against

☐

No Opinion

☐

3

S. 782 (Sec. 3). Increase the penalty for criminal violations of the antitrust laws from \$50,000 to \$100,000 for individuals and to \$500,000 for corporations. (Sen. Tunney, Calif., Sen. Gurney, Fla.)

Argument for S. 782 (Sec. 3):

The present maximum fine of \$50,000 is no deterrent to those who stand to gain much more through illegal business practices: restraint of trade, monopolistic dealings, etc. Profits from violations can run into the millions. The fine was last raised in 1955. The higher fine proposed for corporations would be a start toward more effective enforcement of antitrust laws, which would benefit small and independent businesses, the most frequent victims. Prosecution is meaningless if punishment is no more than a "rap on the wrist."

Argument against S. 782 (Sec. 3):

Increased maximum fines will mean nothing if judges fail to impose them. Fines for corporate antitrust violations between 1955 and 1965 averaged less than \$15,000, one study shows. The proposed \$100,000 and \$500,000 maximums would apply to each count, so fines could be massive. Because the big majority of businesses are "small", most antitrust cases involve relatively small companies, not the giants, and the present fine is sufficient punishment. Small firms unable to adequately defend themselves in court could be destroyed by excessive punishment.

For

☐

Against

☐

No Opinion

☐

4

S. 1007. Permit independent small and medium-sized firms to form export associations, eligible for incentive technical assistance, and free from antitrust law in certain respects. (Sen. Pearson, Kans.)

Argument for S. 1007:

At present, only 4 percent of U. S. companies export goods or services; many others do not export because they lack the "know-how". The nation's international trade deficit has become a major financial liability, calling for action. The Government should stimulate export trade among small businesses by providing technical assistance, advice, and financial support—grants not to exceed \$100,000—and loans. Up to 20 firms (limited in size and not previously active in exporting) could form an export association and enjoy some of the benefits that large corporations have by virtue of their size. The nation's prosperity depends upon balanced world trade.

Argument against S. 1007:

The question is whether the Government should use taxpayer funds to stimulate export business. Banks and import-export specialists already can provide advice and financing to the small firm which has something to sell abroad. If the "export association" is a good idea, it will develop in the free market on its own without government assistance. The short supply of qualified export management personnel is the main gap in our export efforts and it is questionable whether the small agency, to be created by the Act, could do much to solve this problem.

For ☐ Against ☐ No Opinion ☐

5

H. R. 1918. Relieve employers of up to 50 persons of paying or depositing employment taxes more often than once a quarter. (Rep. Saylor, Pa.)

Argument for H. R. 1918:

Requiring semi-monthly or monthly employment tax deposits of all but the very smallest businesses is a burden to the average independent firm. The owner-manager often must use his productive time in this manner. This bill would relieve employers of up to 50 persons of making frequent deposits and reports, and the expense of preparing them. Instead of 12 or 24 deposits, there would be only four per year, as was once required. This would allow small firms to better manage their working capital, instead of facing repeated drains for taxes. The Treasury will collect the same amount over the year, but business will benefit by the change.

Argument against H. R. 1918

Just as the regulation requiring more frequent deposits by smaller firms has increased the revenue flow to the Treasury and eased the government's financing problems, a return to quarterly payments would have the opposite effect, at a time when the Treasury is coping with deficits and bond refinancing. Monthly deposits for all businesses owing quarterly payroll taxes between \$200 and \$2,500 (as now required) is reasonable. Many small firms might fail to make provisions for the large payments which would be required on a quarterly basis.

For ☐ Against ☐ No Opinion ☐

Results of Mandate 370

This National summary of votes has been sent to all Congressmen, Senators, Governors, Congressional committees and key officials in the Executive Branch of the Government.

1. Are you FOR or AGAINST Presidential impoundment of Congressional appropriations for specific Federal programs?

For	Against	No Opinion
82%	16%	2%

Mandate 370 was wholly devoted to this important issue, which continues to make headlines.

A WORD ABOUT YOUR VOTE

Your Mandate ballot votes are counted by computer methods and tabulated on three levels: by your Congressional district, by your State and on a National basis. Both your Senators and your Representatives receive a report on these tabulations, to indicate what independents think about the Mandate issues. Your signed ballot goes directly to your Representative in Washington, so any comments on the back should be directed to him.

Any change or correction of name or address should be made on the face of the ballot card.

Thank you.

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To promote and protect our system of private business, with equal rights for all.

To give small business a greater voice in laws governing business and our nation.

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*That our Nation remain the Land of Opportunity by giving
Independent Business Fair Consideration.*

Washington and Small Business

by NFIB staff

FTC Challenges Oil Practices

A major oil company's practices of requiring service station dealers to carry trading stamps, participate in company promotions, carry TBA brands, and maintain hours set by the company are part of a formal complaint recently filed by the Federal Trade Commission, based on a study of oil industry practices.

Coercion of dealers to handle trading stamps is charged. The FTC also alleges the company illegally fixes gas prices during price wars through temporary allowances to dealers who post stipulated prices. Since the oil producer declined to engage in consent negotiations, which might have resulted in a consent decree, a court will decide whether the FTC has a valid case or not.

Independents will watch this test case with great interest.

Minimum Wage

(Continued)

Dunkelberg, M.B.A., Survey Specialist; and Richard Stewart, M.S., Operations and Statistical Analysis Specialist. Findings were scientifically representative of your Federation's membership as a whole.

This is the first in a series of professionally-supervised economic studies to be conducted by your Federation in support of Mandate-membership-directed goals.

Jobless Pay Boost?

The Administration has proposed legislation to establish Federal standards on state unemployment insurance programs and liberalize benefit levels in many states.

The national standard would raise the maximum weekly jobless benefit to 66.6% of the state-wide average weekly wage. Independents in 47 states would be directly affected. For example: in West Virginia the maximum weekly jobless benefit is 50% of the state-wide average weekly wage, and in New York 45%, in California 43%, and in Maryland 56%. Your Federation is staying on top of this one!

Timely Publications

An article, "Summer Jobs for Students," appearing in the Occupational Outlook Quarterly published by the U. S. Department of Labor's Bureau of Labor Statistics, lists the types of businesses which hire a large percentage of the summer work force, tells how to prepare a resume, and offers "do's and don'ts" for job interviews.

Information is not only helpful to young people but can give employers a look at the problem "from the other side of the fence."

Write Labor Department Bureau of Labor Statistics, Washington, D.C., for the Winter Issue of this publication. Cost, 45 cents.

A business plan can provide the owner-manager of a small retail firm with a pathway to profit. That's the keynote of a new SBA publication, "Business Plan for Small Retailers" which provides a com-

Conglomerates' Data Questioned

Did Federal Trade Commission "white-wash" industrial giants in its recent study of conglomerates? This question is raised in a Senate Small Business Committee sub-committee's recent inquiry of the agency, following information received that the conglomerate study was substantially changed to conceal individual profit/sales data on the businesses studied. Giants organized as conglomerates are in a particularly advantageous position to nail smaller single-industry competitors to the wall by subsidizing their more competitive operations out of profits earned in areas where their stranglehold is tightest. Your Federation is following closely this SSBC inquiry.

New Export Service

Independent manufacturers may be interested in a new, world-wide marketing system, the Global Catalog Marketing Program, providing catalogs in five languages to 700 major outlets abroad, reaching thousands of potential buyers. If interested in this approach to international marketing, write: World Trade Information Center, Inc., 2 Stanley Meadows, Estes Park, Colo., 80517.

prehensive analysis of any retailing business. The comprehensive 24-page workbook concludes with a balance sheet, and computation of a breakeven point. Check with your nearest SBA office to see if copies are available.

NATIONAL



FEDERATION OF INDEPENDENT BUSINESS

150 West Twentieth Ave., San Mateo, California 94403, TELEPHONE: (415) 341-7441

HOME OFFICE: SAN MATEO, CALIFORNIA; LEGISLATIVE OFFICE: WASHINGTON, D. C.

WILSON S. JOHNSON President

Dear Federation Member:

Thank you for joining with over 335,000 business and professional people working together through the Federation program towards the preservation of our American free enterprise system. The addition of your vote for your business in conjunction with the thousands named above adds to the weight of the Federation's "voice of independent business".

May I personally ask you at this time to become involved in our programs by taking five minutes to help us to help you. First, would you please check the enclosed card which bears your name, business name, et cetera, and verify that it is correct as we wish your membership to be correctly recorded in our files. If there is an error, please notify us on the card enclosed.

Our second request is that you please review the Special Survey enclosed which asks your opinion of many matters that today affect our national way of life. We are in the midst of preparing testimonies for appearances before Congressional Committees and your knowledge in your own business of the items on this Survey allow us to properly represent you at these Committee Hearings. Please note the Survey is addressed to our Washington Office and when your reply is received, it will be tabulated with thousands of others coming in from all over the country.

During the course of the year you will be receiving our Mandates on which we ask you to vote expressing your opinions to your Congressman. Normally the voting of the Mandate will only take a few minutes of your time and your regular diligence in voting the Mandates will help to swell the tide of these votes that are going to your Congressman. Please be extremely active in this and if you do not personally open your mail, would you please direct the person that does open the mail to watch for the Mandate and direct same to your attention.

Today, Big Business and Big Labor and Big Government are organized, and now you are part of the organization for Independent Business. Instead of only one voice speaking, over 335,000 organized people such as yourself are making themselves heard through concerted efforts in the halls of Congress. Thank you again for helping to preserve our American way of life and if there are any questions I can help you with at any time, please don't hesitate to write me personally.

Sincerely,

Wilson S. Johnson
President

Encl.

WSJ:ncg

**"Your responses
provide the
ammunition
to speak out on
Capitol Hill..."**



Dear NFIB Member:

First...thank you for your support of Federation activities during the past year through your continued membership. The Federation has made great strides during this period. We have had a surge of membership growth surpassing that of recent years...with membership swelling to more than 325,000 as 1973 began! This increased numerical strength has given the Federation a stronger voice for your business at the State and National levels.

NFIB has increased its staff in the Washington, D.C. Office. Our State-level staff has been increased, as well. This expansion was necessary to meet the growing needs of our members.

A new service to you as a member, "How Congress Voted On Mandate Issues," reports the recorded roll call votes of your representatives on MANDATE issues. This valuable report is available to you on request.

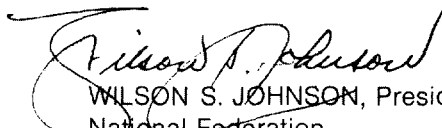
Your Mandate ballot responses...your answers to this Economic Survey...your responses to special mail appeals...your State Issue ballot returns...all provide us the ammunition needed to make fact-filled testimonies before committees of Congress, Presidential advisors and government agencies. Your Federation was very active in speaking out for you on Capitol Hill on such matters as the Occupational Safety and Health Act, the minimum wage, wage and price controls, the 7 percent Investment Credit.

I met with President Nixon and his advisors, and urged that small business be exempted from wage and price controls, and that the 7 percent Investment Credit be restored and extended to used equipment purchases. The Administration acted favorably on both of these recommendations.

Information on business conditions provided through this Economic Survey will enable us to continue to fight in your behalf during the coming year. NFIB, through your continued support, is becoming a stronger voice for independent business at all levels of government.

With best wishes for a very prosperous and healthy year, I am

Sincerely yours,

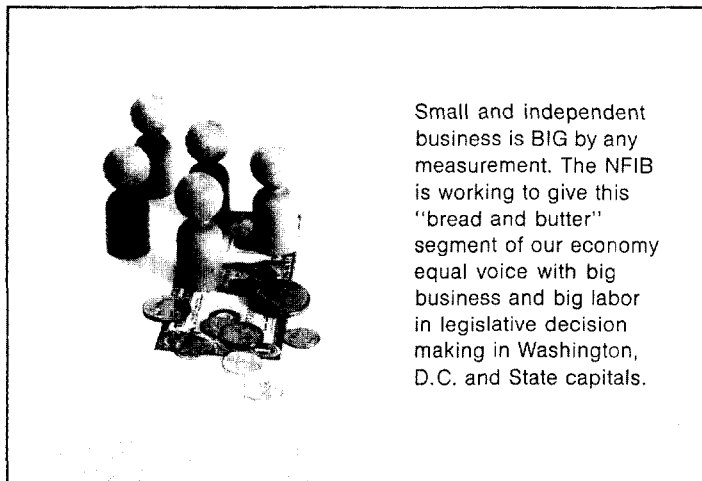

WILSON S. JOHNSON, President
National Federation
of Independent Business

Report on Survey '72

Continuing analysis of responses to *economic* questions indicated clearly independent business cooperation in the program to combat inflation. The proportion of respondents reporting "prices higher than last year" dropped a full 30 percent—and this despite continued heavy cost pressures from both labor and suppliers.

Through the year there were suggestions of a strong improvement in sales volume and in collections, as well as improvement in additional job formation. Trends in inventory and receivables proceeded accordingly. The need for immediate governmental action was emphasized, however, by the fact that the profit picture, while improving somewhat, was far from sound.

Our survey showed three out of four businesses reported that even though they were charging higher prices, it did not fully compensate them for their higher costs.



On the *topical* questions, while the majority reported ability to secure business insurance, almost one-third indicated that crime had increased their insurance costs.

Well over 80 percent of respondents reported that enactment of a plowback allowance would encourage additional investment, with the majority estimating that their increases would range to \$25,000.

Almost 40 percent reported injury due to "cut-throat pricing," and 12 percent stated they would sue privately

for damages if such were made possible under the Robinson-Patman Act. Almost two-thirds of respondents called for an absolute ceiling on Social Security taxation.

Over 90 percent of all respondents called for application of the antitrust laws to labor unions. We are continuing to build an opinion based on the 1972 questions concerning compulsory arbitration and the right-to-work law.

Small and independent business is BIG by any measurement. The NFIB is working to give this "bread and butter" segment of our economy equal voice with big business and big labor in legislative decision making in Washington, D.C. and State capitals.

NATIONAL FEDERATION OF
INDEPENDENT BUSINESS

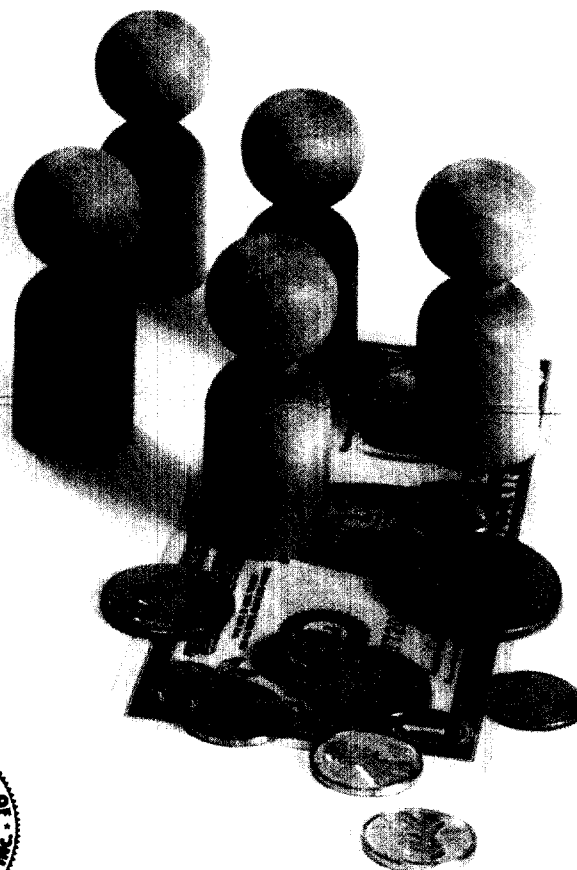
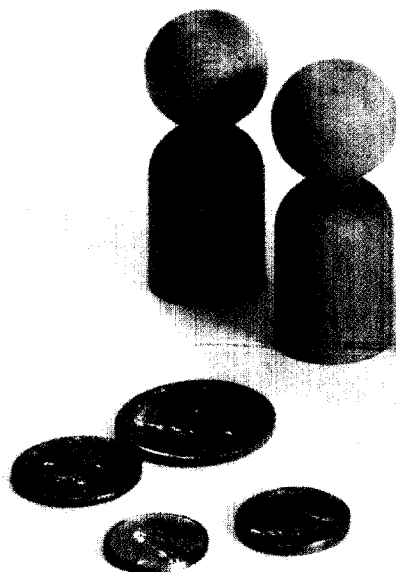
SURVEY 73

BIG BUSINESS

Largest 500 Firms
Employees—13,500,000
Payroll—\$81,000,000,000*

SMALL BUSINESS

5,600,000 Firms
34,000,000—Employees
\$204,000,000,000*—Payroll



920-922 Washington Building
15th and New York Avenue, N.W.
Washington, D.C. 20005

*Annual: estimated on basis of \$500 per month per employee

FIRST CLASS
PERMIT No. 598
San Mateo, Calif.

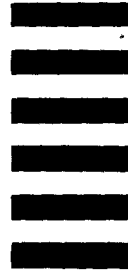
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MAILING ADDRESS (B) P.O. BOX STREET OR ROUTE NUMBER
CITY STATE ZIP CODE

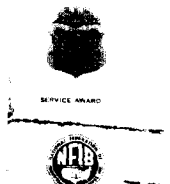
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JOHN P. DUNN
DISTRICT MANAGER

NATIONAL FEDERATION OF INDEPENDENT BUSINESS

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BRUNSWICK, OHIO 44212



NATIONAL FEDERATION OF INDEPENDENT BUSINESS
(A NON-PROFIT ORGANIZATION)

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☒ CHECK 11
☐ CASH 11
☐ ANNUAL SURVEY 12

MEMBER R W OBITTS
18 FIRST NAME 48 MIDDLE INITIAL 49 LAST NAME

FIRM OBITTS CHEMICAL CO
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ACTION IN CONGRESS

National Federation of Independent Business

A Special Report by the Legislative Staff, Washington, D.C. 20005



Dear Federation Member:



Many people don't realize fully what it takes to get things done at Washington. They're unaware of the need for constant alertness to avoid surprises—of the need for research in depth in preparation for testimonies and sharp questions which might be sprung—of the constant "head-counting" to separate friend from foe and "doubtfuls," and to encourage friends and work on the undecided—of hard judgment that must be made to coordinate grass roots support at just the right moment—of the wearying round of constant personal

contact, in person, by phone, or mail.

You may be one of these people. If not, certainly some of your business and professional friends and neighbors are. It's for this reason that, this year, we depart our usual Action Report format to give you an inside look at just three of the many issues handled by your Washington Staff—the proposed increase in the Minimum Wage, the battle for a small business exemption from the Occupational Safety and Health Act, and the fight to ban school busing.

The Minimum Wage Increase

Background: 1971 was a year of Federation-concentrated activity in this area. Anticipating a strong Majority Party-Labor Union drive for higher minimums, your Federation polled members in Mandate 361, and received 84% negative vote. A special panel on the issue was held at our First Annual Conference, and members expressed themselves in no uncertain terms. Transcripts of this panel were presented to members of the House Committee on Education and Labor. Repeated contacts were made with members of this group, furnishing them with data from your Federation's economic survey showing clearly the harm that would entail from enactment of H.R. 7130, the labor bill, which would increase the minimum to \$2.00 immediately, provide no youth exemption, and extend coverage to an added 5.8 million people. Despite all this, the Committee approved the bill and sent it to the Rules Committee (the traffic cop for House legislative action) for debate on the Floor and vote. As the year ended, however, the measure was locked up tighter than a drum in Rules, and we were working hard to keep it there. And this leads us into 1972:

February-April: Repeated personal calls to Congressmen in an effort to kill the bill by keeping it locked in Rules Committee. House Majority Party leadership and Labor Union

allies increase pressures to get the "green light," and have H.R. 7130 sent to the Floor for debate and vote. Meanwhile, as a "fall-back" position, your Federation builds support for the Anderson-Erlenborn substitute which contains a two-step increase to \$2.00 an hour, a meaningful youth employment exception, and no increase in coverage.

March 31: Anticipating probability that House Rules will be forced to yield and send H.R. 7130 to the Floor for debate and vote, the Washington Staff recommends that the Home Office send letters immediately to all 320,000 Federation members, asking that they make their views known to their Congressmen while the legislators are home for the Easter Recess. Letter is mailed.

March 29-April 10 (Easter Recess): Scene of battle shifts to local level as thousands of Federation members confer, individually and collectively, with their Congressmen, emphasizing their opposition to H.R. 7130.

April 17: "Friendly" Congressmen report to your Washington Staff that local contacts by Federation members have been effective in persuading many of their colleagues about the danger to small business in the proposed Minimum Wage increase.

May 3: Unable further to resist pressures by House Majority Party leadership and its union allies, House Rules finally sends H.R. 7130 to the Floor for debate and vote.

May 10-20: Furious debate over H.R. 7130. Repeated contacts by Washington Staff with friends lending encouragement, concentrated effort on doubtful legislators. House member reminds his colleagues during debate that "small businessmen have just spoken—we must heed their needs." House finally adopts the Anderson-Erlenborn substitute, the more moderate approach in place of H.R. 7130. Scene of action now shifts to the Senate.

June 12-July 19: Extensive lobbying with Senators by members of your Federation's Washington Staff against any increase at all and failing that for adoption of a bill similar to the Anderson-Erlenborn substitute. Strong Majority Party leadership and labor union support for a bill sponsored by Senator Williams, containing all the harsh features of H.R. 7130 but with a proposed increase to \$2.25 an hour.

July 14: On recommendations of Washington Staff, your Federation sends strong letter to all 100 Senators urging their vote against the Williams bill. Washington staff members on the phone and calling personally on Senators.

July 20: Heavy debate in Senate on Williams bill. One Presidential nominee hurries back from campaign to cast the decisive vote against a Dominick substitute modelled on lines of Anderson-Erlenborn House bill. *Williams bill finally approved by 65-27 margin*, to increase the minimum to \$2.20 an hour, with no youth employment exemption. Measure sent to conference to iron out differences with the House.

July 31: Fearing appointment of House conference members who might desire to cave in to the Senate conferees, Washington Staff sends telegrams to 70 key Congressmen (chosen after careful study of friends, foes, and doubtfuls) urging that they vote against naming conferees to meet with Senate representatives.

August 1: By vote of 198-190 the House rejects Majority Party leadership, Labor Union-supported move to send its bill to conference with the Senate.

August 4: Washington Staff, in strategy session, decides to try to kill any Minimum Wage legislation at all for 1972 by heading off a House conference with the Senate. After careful study the staff sends Western Union mail-o-grams to 142 National Advisory Council members in critical Congressional Districts, urging that these members insist that their Congressmen stand strongly for the Anderson-Erlenborn substitute.

September 20: Anticipating renewed effort by House Majority leadership and Labor Unions, Washington Office Staff telegraphs 39 key members of the House, urging that they vote against appointment of conferees who might not stand for the Anderson-Erlenborn substitute.

September 28: In further effort to strengthen Federation's hand, Washington Office sends telegrams to 22 National Advisory Council members in carefully selected critical Congressional Districts, asking that they urge their Congressmen to stand fast against conference with Senate.

September-October: All the while the Washington Staff is heavily and constantly lobbying on the Minimum Wage in Capitol Hill offices.

October 3: House in 196-188 vote rejects, for a second time, House Majority leadership-labor union strongly backed effort to appoint conferees.

The Minimum Wage bill is dead for 1972—but it will be back with us in 1973.

Occupational Safety and Health Act Action

Background: After fighting hard, on an individual member complaint basis during 1971, your Federation entered 1972 determined to test membership sentiments on bills expected to be introduced to ease the impact of the Occupational Safety and Health Act on small business, and here is what happened:

Beginning March, 1972: Independents given the opportunity to express their views on OSHA amendments in Mandates 362, 364, and 366. All responses favorable. Washington Staff swings fully into action for changes needed by small business.

March 14, 1972: Letter sent to Representative Michel, ranking minority member of the Labor-HEW Subcommittee of the House Appropriations Committee, urging him to scrutinize OSHA's failure to inform the public, and heavy-handed inspection procedures. The Subcommittee's report contained a warning to the Department of Labor on these matters.

April 20: "Action Alert" to all NFIB members, to write their Congressmen on OSHA problems.

June 15: Following intensive lobbying by Washington Staff, Findley amendment successfully added to Labor-HEW Appropriation Bill (H.R. 15417) in the House by a vote of 213-154. Would have exempted firms with 25-or-fewer employees from inspection until June 30, 1973. Similar to H.R. 12068, polled on Mandate 362.

June 21: NFIB testified before House Select Small Business Committee. Hearings were held at NFIB's urging, since the Education and Labor Committee was not holding any of its own. Few if any other business spokesmen took NFIB's strong stand for H.R. 12068 and the Findley Amendment. Our statement heavily quoted in the authoritative Washington publication, *Congressional Quarterly*.

June 27: More intensive Staff Congressional contact. Senate version of Labor-HEW appropriation voted on. Less-than-25 exemption had been stripped away by Committee. However, Curtis amendment was added on the floor, exempting firms with 15 or fewer employees, by vote of 45-41.

July 25: NFIB's second OSHA testimony, this time before Senator Williams' Labor Committee. We continued to press for a small business exemption, a meaningful educational program and reasonable enforcement. Heavily quoted in the influential *Journal of Commerce*.

August 2: House-Senate conference report on Labor-HEW Appropriation Bill filed and sent to White House. House accepted Senate's version of small business exemption (15 or fewer).

August 16: President Nixon vetoed Labor-HEW Appropriation Bill because of excessive welfare expenditures. Entire process had to begin again.

September 14: "Action Alert" sent out by Wilson S. Johnson to NFIB Advisory Council members in states of 11 key Senators, urging them to tell their Senators to support Senator Curtis' efforts for an OSHA amendment on the new Labor-HEW bill.

September 19: New Labor-HEW Appropriation Bill (H.R. 16654) passed in House. Fisher Amendment, exempting firms with 15 or fewer employees from OSHA inspection until June 30, 1973, added by vote of 191-182.

September 21: Final OSHA hearings for the year in the House Education and Labor Committee. NFIB's statement basically unchanged, while that of OSHA showed several variations

from their first statement before Small Business Committee. Many of the changes reflected criticism from NFIB.

September 27: Telegram sent by Wilson S. Johnson to eight decisive members of Labor-HEW Subcommittee of Senate Appropriations Committee, urging retention of Fisher Amendment to H.R. 16654. Bill reported with Fisher amendment intact.

October 3: Labor blitz on Senate floor cut Fisher Amendment from H.R. 16654, by vote of 47-33. Only five Senators defected; absentees big factor in outcome. Curtis amendment, for 3-or-less exemption, passed.

October 3-10: Contact with our friends on the House Labor-HEW Subcommittee, giving the ammunition to fight for the Fisher amendment in conference.

October 4: Labor Department exempts from certain record keeping and red-tape requirements almost all firms with seven or fewer employees (those not exempted will be required to perform the required record keeping and reporting for Departmental information). Exempted firms will no longer be required to maintain a log of occupational injuries or illnesses, or a supplementary record of each individual job injury or an annual summary of such incidents. They will be required to report only fatalities and multiple hospitalization accidents within 48 hours.

October 11: Valiant effort by Representative Findley to pass motion to instruct conferees to insist on 15-or-fewer exemption defeated 197-167.

October 12: Telegram from Wilson S. Johnson to Representative Bill Steiger (Wisc.) (co-author of Williams-Steiger Act), supporting his bid to amend his own Act to provide on-site counseling for employers.

October 13-14: H.R. 16654 reported out of conference with 3-or-fewer exemption and passed by both Houses.

October 14: Representative Steiger prevented from bringing his OSHA amendment to floor by objection from pro-labor Congressmen. Steiger cited NFIB's support in his argument for the bill. House accepts 3-or-fewer exemption, and House and Senate for the second time send the Labor-Appropriations bill to the President for signature.

October 23: Letter to Assistant Secretary of Labor Guenther, offering a critique of the newly-published update of the OSHA Standards in the *Federal Register*. While the update contained a subject index as NFIB had been requesting for months, a number of other continuing inadequacies were pointed out. Copies sent to Representative Steiger and Daniels, and to Senator Williams.

October 27: President Nixon again vetoes the bill because of what he still considers excessive spending, and action goes over to 1973.

Action on the Anti-Busing Bill

Background: Throughout 1971 your Federation's Washington Staff made many contacts with Congressmen in support of this legislation. These contacts were made, however, on an individual service basis. They were made this way because we had, early in the year, proposed running an issue on compulsory busing the same as we did on the Minimum Wage, but were advised by a leading Congressional opponent of forced busing to "forget the issue, as it was dead (this individual had expected the Supreme Court to rule in favor of his position, which it failed to do). And this leads us into 1972.

February: In order to determine the membership position on bills to ban compulsory busing of school children, your Federation in Mandates 361 and 363 polled on the subject, receiving, respectively, 86% and 85% support for the measures. Thus we were involved completely in the battle, and the Washington Staff began immediately to plan for our campaign.

April 26: Strong testimony was made opposing compulsory busing before a House Judiciary Subcommittee, emphasizing clearly the position of small business on the issue and supporting a Constitutional anti-busing amendment.

July-August: Washington Staff continues extensive contacts with House members in support of the anti-busing measure, with particular attention paid to members of the House Committee on Education and Labor then considering an alternative approach to banning compulsory busing.

August 9: House Committee on Education and Labor reported to the Rules Committee H.R. 13925, a measure which placed stronger curbs on busing than had been previously proposed. The measure was sent to the House Floor for debate and vote.

August 9-August 17: Extensive personal calls on Congressmen by members of your Federation's Washington Staff urging a favorable vote on H.R. 13925.

August 17: House of Representatives passes an even stronger anti-busing bill than that proposed by the House Committee on Education and Labor, and the measure goes over to the Senate.

September 5-6: Senate commences action on House-passed bill. Washington Staff initiates immediately close coordination with Senators leading fight for passage of the measure. Strategy is worked out involving contacts encouraging supporters and convincing doubtful votes they should go for the bill. Personal contacts follow at once.

September 13: As one result of strategy, conference letters are sent to Advisory Council members in 14 states—urging that they send immediately telegrams or air-mail special delivery letters to key Senators from these States urging support for the House-passed bill (as a result of Advisory Council cooperation, your Federation was able to swing 11 Senators to our side in this battle).

September 26: Second strategy conference with Senate leaders of fight for passage of anti-busing bill, in an effort to head off threatened filibuster (talkathon) by Senate liberals that aimed to prevent vote on H.R. 13925. Followed up by numerous Senate contacts by your Washington Staff through period September 26-October 10.

October 10: Final strategy conference with Senate leaders for anti-busing bill. Aim: to pick up necessary votes to break the filibuster and let the bill come out for vote. Intensive effort by Washington Staff with Senators.

October 12: Senate fails on third try, by vote of 49-38, to break the filibuster and, in view of plans to adjourn for the campaign, votes to proceed with other business.

This is one your Federation lost. It did so because of the fact that 38-39 liberal Senators refused to let the anti-busing bill come to a vote. Had there been a vote, the measure would have been passed. The bill will be back for action, however, in 1973—and your Federation will be in there once more, attacking the problem from new and stronger ground.



Here are some of the additional accomplishments which your Federation helped achieve in 1972:

Economic Controls

Background: As reported last year, in personal conferences with the President and his chief economic advisors, as well as in key Congressional contacts, and in follow-up this year we urged that the maximum number of independents possible be freed of Federal controls. Here's a brief resumé of what followed:

January 14, 1972: Price Commission frees from the price posting requirements all retailers grossing under \$200,000 a year (later modified to specify application only to those of such retailers who do not operate on premises of or in conjunction with retailers grossing over \$200,000 a year).

January 19, 1972: Price Commission exempts from economic controls all retail firms with less than \$100,000 volume annually (estimated to account for 75% of all retail outlets).

January 19, 1972: Price Commission exempts almost all small landlords from rent controls. Order exempts rental properties (1) in which units rent for \$500 a month or more, (2) in which owner is occupant and there are no more than 4 units (more than month-to-month leases required), and (3) where landlord has four or less single-family residences (estimated to cover 45% of all renter occupied housing units).

May 1, 1972: Cost of Living Council decontrols approximately 5,000,000 smaller, independent businesses, generally firms with 60 or fewer employees (order does not cover health care services, contractors, or lumber firms—which were later brought back under control).

May 23, 1972: Cost of Living amends Price Commission's January 19 order regarding rent controls. Rescinds the "owner occupancy" and the "more than month-to-month" requirements.

Small Business Administration

Background: Following basic policy you established in Mandate 194 on the Small Business Administration, as implemented in your Federation's meetings with the President's Chief Economic Advisor and by your Federation's Washington Staff, we have insisted that the agency resume lending directly to independents who, while otherwise credit-worthy, cannot secure loan help from private lending agencies. At the same time, we have urged that the SBA follow its original mandate in working for a fairer chance for independents to bid on federal contracts. In this connection, the following were reported during 1972:

One: In its Twenty-Second Annual Report, Senate Small Business Committee observed that Small Business Administration direct (not privately assisted) regular business loans rose from 36 in number worth \$1.6 million in fiscal 1970 to 686 worth \$23.2 million in fiscal 1971.

Two: Small Business Administration reported on November

10, 1972 that the dollar value of Defense Department prime contract awards to small businesses rose from \$5.3 billion in fiscal 1971 to \$6.1 billion in fiscal 1972, and the small business share of these contracts rose from 17% to 18%.

Rural Development Act

Since the Conventions of 1968 your Federation has worked steadily for attention to the problems of economically-depressed rural areas. Our position has been that unless some help is forthcoming, out-migration from these areas to the central cities will make urban problems insolvable. The vehicle we recommended provided tax credits instead of loans or grants. However, in recognizing the problem, this Act is a step in the right direction.

One: House and Senate enact, and President signs, the "Rural Development Act" of 1972. This measure aims to improve the economies of depressed rural areas through self-help projects assisted by federal grants and loans, as well as loan guarantees. Special provision made for assistance to small businesses located in these areas.

Government Competition

Background: In Mandate 365 you voted 69% for S. 3602, a bill which would prohibit General Services Administration from competing with private business by selling, at low prices, goods and services to all institutions receiving Federal grants or funds. Your Federation's Washington Staff followed up with contacts with appropriate members of Congress and officials of the Executive Branch. Here is what happened:

November 6, 1972: Prodded by the White House, General Services announces it will not make such sales in competition with private business.

Social Security Act Revisions

One: House and Senate enact, and President signs, Social Security revision which increases from \$1,680 to \$2,100 yearly the amount that Social Security beneficiaries may earn privately without having to forfeit any of their retirement benefits.

In your Mandate 355 vote you supported H.R. 1531, which would have increased the earnings ceiling from \$1,680 yearly to \$4,800 yearly.

Two: House and Senate enact, and President signs, Social Security revision which increases widow's benefits from 82½% to 100% of her deceased spouse's benefits. This is right in line with your Mandate 356 vote for H.R. 3811 which aimed to provide widows with 100% of their deceased husband's benefits.



Earlier laws passed in line with Federation effort which may help you

Taxes

Investment Tax Credit, P.L. 92-178 (1971). Enables you to recover as a tax credit up to 7% of the cost of your investments in tangible personal property used in your trade or business.

Small Tax Court, P.L. 91-172 (1969). Creates a simplified Tax Court small claims procedure which can be used, at the taxpayer's choice, when disputes with IRS involve sums of \$1,000 or less.

Additional Depreciation, P.L. 85-866 (1958). Permits you to write off in the first year after purchase, within certain limits, 20% of the cost of new or newly purchased used machinery and equipment with a useful life of six or more years.

Faster Depreciation Procedures. Treasury Dept. 1962 ruling permits you to take 17% average faster normal depreciation allowances on your purchases of new plant equipment.

Choice to Pay Taxes at Individual Income Rates, P.L. 85-866 (1958). Permits certain smaller corporations to avoid payment of corporate taxes, with stockholders paying taxes only at individual income tax rates.

Income Averaging for Individual Taxpayers, P.L. 88-72 (1964). Enables unincorporated business and professional people, under certain circumstances, to secure benefit of lower tax rates by averaging high with low income years.

Liberalized Income Averaging, P.L. 91-172 (1969). This reduces the percentage by which an individual's income must be increased in order to average his income over a period of years to secure advantage of lower rates (reduces required amount of increase from 33 1/3% to 20%).

Estate Tax Feature, P.L. 85-866 (1958). Allows families of deceased business and professional people, subject to certain conditions, to spread payment of estate taxes over a period of ten years.

Tax Refunds During Loss Years, P.L. 85-866 (1958). Enables you to apply a current operating loss against profits for three prior years.

Reserves for "Rainy Days," Expansions, P.L. 85-866 (1958). Enables you to accumulate \$100,000 in earnings in your business before having to pay out dividends.

Private Retirement Program, P.L. 87-792 (1962). Assists unincorporated business and professional people in financing their private retirement programs by certain tax deductions.

Liberalization of Private Retirement Program, P.L. 89-809 (1966). Liberalizes 1962 enactment by doubling deduction which may be taken to offset payments into private retirement programs (maximum deduction raised from \$1,250 to \$2,500 a year).

Financing

Encouragement to Invest, P.L. 85-866 (1958). Encourages individuals to invest in smaller firms by providing them with hedges against losses on such investments.

Sources of Long-Term Funds, P.L. 85-699 (1958). Provides for a system of privately-owned Small Business Investment Companies, to make up to 20-year loans to small firms, and provides source of capital funds through purchase of stocks, bonds, etc.

Medium Term Loans, P.L. 83-163 (1953) and P.L. 85-536 (1958). Creates and makes permanent the Small Business Administration, and charges it with responsibility to assist in securing loans for otherwise credit-worthy small businesses which cannot secure financing privately. SBA-assisted loans for operating capital and equipment purchases have averaged a five-year repayment period. Agency's main avenue of aid is through cooperation with private lenders, encouraging them by guaranteeing repayment of up to 90% of funds advanced.

Natural Disaster Loans, P.L. 83-163 (1953). Authorizes Small Business Administration, directly or in cooperation with private sources, to make special low-interest rate loans to business and professional people to help in repair of damage done by hurricane, flood, earthquake, etc. Program has been vastly expanded since 1953 (effective only when official declaration of "Disaster Area" issued).

Relocation

Relocation Loans, P.L. 87-70 (1961). Carry approximate 5 1/2% interest rate (8% maximum on bank share) made by Small Business Administration, to assist business and professional people in relocating when forced to move due to highway construction.

Moving Costs, P.L. 87-70 (1961). Enables business and professional people forced to move by Urban Renewal projects to receive up to \$25,000 to cover their moving costs (prior ceiling \$3,000).

Other Costs, P.L. 88-560 (1964). Directs Small Business Administration to provide assistance to renters and owners forced to move by Federal construction. Provides for relocation payments to firms displaced by public housing the same as for those displaced by Urban Renewal. Allows "lump-sum" payments of \$1,500 to such "private business" concerns with average annual net earnings less than \$10,000. Authorizes Housing and Home Finance Agency to make 3% long-term loans to help business and professional enterprises bring properties up to "standard" in Urban Renewal areas (applies to both renters and owners).

Advance Notice, P.L. 89-117 (1965). Requires advance notice and payment for property taken for federal construction, payment of "adequate" purchase price including payment for losses when only part of a property is taken, also increases to \$2,500 the "lump-sum" compensation possible to small firms, and includes provision for guarantee of leases which may be required in new locations.

Further Improvements, P.L. 90-495 (1968). Enables firms forced to relocate because of federally-financed highway projects to be compensated for total actual moving expenses (previous maximum allowance: \$3,000). Other assistance provided for such damage to firms.

Development

Local Development Loans, P.L. 85-699 (1958). Provides Government financial assistance to both state and privately-owned local development companies to aid communities in attracting industries, to assist existing businesses in expansions and modernization, and, for example, to build shopping centers or modernize whole districts.

Economic Development, P.L. 89-136 (1965). Creates an Economic Development Administration authorized to help rebuild economies of areas of persistent and heavy unemployment through loans made privately in cooperation with Government.

Industrial Potential Studies, P.L. 83-163 (1953). Authorizes Small Business Administration to join with private educational groups in conduct of on-the-spot surveys to determine potential for growth, and direction that should be followed, to expand the economies of areas.

Management Assistance

Following types of management counseling are available in most Small Business Administration areas, through SBA offices, P.L. 83-163 (1958):

S.C.O.R.E. Program. Provides personal counseling by retired, successful business people on business problems; no fees charged, but expenses must be paid.

SBA Staff Specialists. Constantly available to counsel with you at SBA offices on your management problems; no charge.

Administrative Management Courses made available on wide variety of business problems through SBA staff members working with colleges and other educational institutions.

Special One-Day Conferences arranged with colleges and other educational institutions dealing with specific problems (for example, collections) or broad problems (for instance, exporting).

Publications. Small Business Administration makes available a wide range of management and technical pamphlets dealing with business questions; most are available free.

Research Aids, P.L. 89-182 (1965). Sets up the Federal Government in a partnership with the states to provide business with information on the latest technical and research developments.

Foreign Trade

Help to Export, P.L. 83-163 (1953). Provides for Small Business Administration cooperation with U. S. Department of Commerce, Department of State, and Export-Import Bank to help smaller firms become more active in selling their products abroad.

Government Sales

Following assistance programs available to independents through the Small Business Administration program, P.L. 83-163 (1953):

Small Business Representatives located at all offices to advise independents on federal purchases, and to advise such buyers of possible small business sellers; these people provide other helps.

Informational Books. Through U. S. Government Printing Office and SBA offices directories are available, indicating federal buying units and advising on how to go about doing business with Government.

Military-Civilian Liaison Staff maintained at policy-making levels for purpose of assuring adequate opportunities for independents to sell to Government.

Potential Sources. Based on its widespread knowledge of small business facilities across the country, SBA is in position to advise federal buyers of numerous sources of supply. (Note: If interested in this type of business, be sure to contact your closest SBA and register with it.) In this phase of its programming, SBA also attempts to bring small business subcontractors together with large business prime contractors.

Contract Opportunities Meetings. SBA officials cooperate with local groups and Government and large private buyers in holding conferences at which Federal purchasing agencies explain their needs for goods and services to independent business subcontractors.

Certificates of Competency. SBA has authority to investigate and affirm the competency of a potential small business supplier to do business with government purchasing offices. Federal agencies then required to buy from firms which win approval.

Ecology

Incentives Provided for Development of Anti-Pollution Facilities (P.L. 91-172). This law provides special fast recovery of funds which are invested in anti-pollution facilities which are put into service as an addition to pre-1969 plants.

Among other accomplishments

Unemployment Compensation Bill Rejected (1966). By substituting H.R. 1519 for H.R. 8282 the House considerably reduced proposed unemployment compensation burden to be imposed on employers. Resulting Senate dispute killed effort to extend payment of jobless benefits to 52 weeks.

Furthermore,

members of your Federation's Washington Staff had over 2,000 individual contacts and conferences with Congressmen, their staff members, and Executive Branch Agencies on individual and general small business problems, as well as Federation operations, during this period. At the same time, the Staff intervened with Congress and the Executive Branch on behalf of more than 2,500 individual Federation members who reported difficulties involving laws and regulations.

Behind the scenes there are other powerful forces working for you.

There is the *Publicity Program* which has resulted in your opinions being quoted in over one thousand daily and seven hundred and fifty weekly newspapers, on more than one thousand radio and TV outlets, in countless radio and TV interviews, and five hundred trade publications.

There is the *Educational Program* which takes your problems and opinions regularly throughout the year into thousands of high schools and colleges—and which is specifically designed to alert young people to the need for sound small business opportunities.

There is the *Television Program* being shown on a nationwide basis, which tells the story of small business and the importance of the free enterprise system. For the first time your story is being told over television to your customers and the voters of America.

There is the *daily work being done by the members of your Federation's Field Force*, with over 300 fully trained representatives calling on approximately 3,500 independents each day, alerting them to pending legislation and seeking their cooperation in a concerted effort.

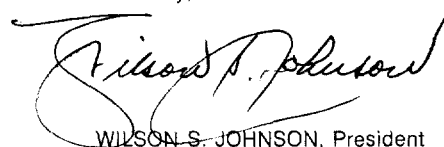
There is the *Public Relations Program* which involves hundreds of talks each year before civic, trade and other groups, plus millions of direct mailings.

There is the *Outdoor Billboard Program*, stressing the importance of small business in our economy. During the first year your Federation's message was shown on 5,000 boards and viewed by an estimated 120,000,000 people. This year, with a new and more attractive display, we expect showings in 7,500 locations and exposure to 180,000,000 people.

And there is the vastly strengthened *State Services Program* which meaningfully involves your Federation, on behalf of members in each jurisdiction, with State-level legislative developments directly affecting independent business, and indirectly strengthening the national thrust.

All these forces ultimately culminate in the halls of legislation, and synchronized with hard-driving Washington effort, are the reason for progress reported. But while much has been done, a big job remains ahead. Therefore it is of vital importance that you, together with your fellow independents, continue your active, direct interest in Government through your Federation for further progress in the years ahead.

Sincerely,



WILSON S. JOHNSON, President

Some of the Important Testimonies before, statements to, and conferences with, Congressional Committees and Federal policy makers—'72 (based on Mandate votes and special surveys)

Social Security Amendments		Small Business Financial Assistance	
Senate Finance Committee	1/21/72	Small Business Administration	6/27/72
Small Business Act Amendment		Occupational Safety & Health Act	
Senate Banking, Housing & Urban Affairs		Labor Department	6/27/72
Committee	3/9/72	Small Business Tax Recording and Reporting	
Small Business Act Amendment		Internal Revenue Service	6/28/72
House Banking & Currency Committee	4/12/72	Small Business Competitive Problems	
Constitutional Amendments on Busing		Justice Department	6/28/72
House Judiciary Committee	4/26/72	Small Business Tax Revisions	
Rural Redevelopment		Senate Small Business Committee	6/28/72
House Small Business Committee	5/2/72	Small Business Tax Revision	
Small Business Role in Foreign Trade & Investment		Joint Committee on Internal Revenue	
House Small Business Subcommittee	6/9/72	Taxation	6/29/72
Below Cost Sales		Small Business Economic Trends	
Senate Judiciary Committee	6/13/72	Council of Economic Advisors	6/29/72
Occupational Safety & Health Act		Small Business Borrowings	
House Small Business Committee	6/21/72	Federal Reserve Board	6/29/72
Small Business Viewpoint		Small Business Economic Trends	
Democratic Platform Committee	6/22/72	Joint Economic Committee	6/29/72
Small Business Economic Trends		Small Business Viewpoint	
Commerce Department	6/26/72	Republican Platform Committee	8/16/72
Small Business Tax Revision		Occupational Safety & Health Act	
Treasury Department	6/26/72	House Education & Labor Committee	9/21/72
Small Business Competitive Problems		Bid Peddling	
House Small Business Committee	6/27/72	House Appropriations Committee	10/3/72

THE Mandate

No. 369



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Report on OSHA

Administration of the Occupational Safety and Health Act as it affects small business is still of concern to the House Small Business Committee, which may resume hearings on the subject. Refusal of the Labor Department to establish separate standards for small businessmen, as requested by the committee, is one issue. Too much administrative work involved, an official explained. Labor Department says it is reviewing the standards and modifying those with little or no direct relationship to job safety and health.

Controls Eased, Paperwork Cut

The Administration's move from compulsory to voluntary economic controls is another step in direction recommended by your Federation President, Wilson S. Johnson, to President Nixon at White House conference, September 13, 1971. There's still a way to go, however, for food processing and distribution, health care and construction industries must still operate under tight rein.

Of major importance: Requirements for paperwork have been lifted for all but the largest firms and those in excepted industries. Businesses with less than \$50 million in sales and employment units less than 1,000 are no longer required to keep records relating to wage and price decisions.

The President is asking for a year's extension of controls authority, says compulsory controls will be applied again where guidelines are not heeded.

Message from NFIB President:

Solid Progress, More Effectiveness



To Our 330,000 Members:

Before 1973 gets any older, let me hasten to thank you for all that you did during 1972 to strengthen Federation operations. All that your Federation is and all that it does is possible only because of your active support and involvement.

And 1972 was a year of solid progress! Progress in programs . . . progress in relationships . . . progress in working with the various levels of government.

For instance, prior to the past year we had only infrequently involved the membership directly in legislative action. But during 1972, we called on you on several occasions — in the Minimum Wage battle, and the battle over OSHA, for instance — and your response, marvelous as it was — was largely responsible for our victory on the Minimum Wage as well as for Congressional consideration of a small-business exemption from OSHA inspection. This type of direct member involvement gives great promise for progress in the years to come.

Your support has helped make possible the enlargement of your Federation's Washington Staff to the point where we are now able to specialize staff members on various pieces of legislation. This has

improved our coverage on the subjects under action, and consequently improved our effectiveness on your behalf.

Without your support, enlargement of your Federation's State and Local Programs Department would not have been possible. As it is, we have divided the country into three areas, with one staff member covering only 16 jurisdictions. This will give us greater effectiveness at the State House level, a fact which has become increasingly important since it is the States rather than the National Government which have been primarily responsible for tax increases, bureaucracy increases, and the regulatory burden.

I wish it were possible for me to thank each and every one of you personally for your contribution, but since this obviously cannot be done, I again express my appreciation. I look forward to working with you more effectively for small business during all the days and weeks of 1973.

With all best wishes,

Sincerely,

WILSON S. JOHNSON,
PRESIDENT

Tax Climb Study

All taxes paid in the U.S. rose from \$915 per capita in 1965 to \$1,492 per capita in 1971, an increase of \$577 or 63 percent. Since not all persons pay taxes, the actual load on each taxpayer was far greater than \$1,492. Actual dollar increase in taxes was almost 74 percent.

1

Are you FOR or AGAINST the President's proposal that Congress enact a \$250 billion ceiling on Federal spending in fiscal 1973?

Argument for the proposal:

Federal government expenditures have mushroomed beyond tax revenue growth, with a balanced budget only a remote dream. National debt has run up from \$348 billion to \$445 billion in five years. Unless a \$250 billion spending ceiling is adopted, Congress may nullify Administration efforts to trim \$10 billion above this level in the year ending June 30th. Over-spending of revenue by the Federal government is a major cause of inflation. If Congress will not do the job, it should allow the President to do it.

Argument against the proposal:

The President's ceiling on 1973 spending would tie Congress' hands and eliminate consideration of programs which may have great merit. The Administration's impounding of funds and freezing of programs to achieve an arbitrary \$250 billion ceiling is being criticized by many in Congress. Congress alone has the Constitutional power to appropriate and no President should try to limit it. The entire budgetary system is under study, and constructive reforms may result from this.

2

Are you FOR or AGAINST an increase from \$250,000 to \$500,000 in the yearly dollar-volume exemption from the Minimum Wage and Hour law granted retail and service firms?

Argument for the proposal:

Firms grossing down to as little as \$250,000 a year come under the Fair Labor Standards (Minimum Wage) Act. Raising this exemption to \$500,000 would be more realistic as a measurement of small business at this time. If the Minimum Wage is raised from \$1.60 an hour to \$2 or more, as proposed, the higher exemption appears a "must" if job reductions and major curtailment of small business are to be avoided. This proposal would allow more small businesses to pay the young and marginal employees on the basis of their actual job performance.

Argument against the proposal:

This exemption was reduced from \$500,000 to \$250,000 in 1969 in order to bring Minimum Wage and Hour coverage to millions of additional workers. To increase it would be a step backward. All but the smallest retail and service firms, grossing under \$250,000, should pay the Minimum Wage and overtime as prescribed by the law. In fact, many people argue against the exemption of any businesses, saying the Minimum Wage is less than adequate for subsistence. Elimination of poverty requires continuation of the present exemption, even if the Minimum Wage is increased.

3

Are you FOR or AGAINST Congress enacting a 10-year plan to change from our system of weights and measures (pounds, miles, etc.) to the metric system (grams, meters) used by all other major nations?

Argument for the proposal:

The decimal-based metric system is superior to and easier to use than our system of weights and measures, with its various multiples (32 ounces, 12 inches, etc.). A Federal study concluded that "eventually the U.S. will join the rest of the world in the use of the metric system as the predominant common language of measurement." The longer we wait, the more damage is done to our world trade because of confusion between metric-measured foreign goods and our products. A careful 10-year transition involving only five types of measurements is planned. Metric terms are already used here in drugs, electricity, film sizes, foreign car parts and weapons, so they are becoming familiar.

Argument against the proposal:

Only 11 percent of U.S. manufacturers use the metric system, and the change-over would not be easy. The argument that abandoning an "awkward old system" would be good for business is countered by the period of adjustment in which conversion tables would be used. A kilogram is .45 of a pound, for example. Experts differ on possible costs of conversion, but some retooling and design changes would be necessary. Small businesses would probably encounter more problems than large businesses in making the transition.

For

☐

Against

☐

No Opinion

☐

For

☐

Against

☐

No Opinion

☐

For

☐

Against

☐

No Opinion

☐

4

Are you FOR or AGAINST amending the Occupational Safety and Health Act to require that small businesses be notified 30 days in advance of inspections and be given a copy of rules and regulations?

Your Federation is already committed to seeking a small-business exemption and to fine-free consulting inspections.

Argument for the proposal:

Most business owners desire safe working conditions for employees and want to comply voluntarily. Providing advance notification and regulations will promote voluntary compliance better than the "surprise inspection" aspects of OSHA. Large firms have the staff to study the regulations and get ready for the inspection. The small business cannot afford a private bureaucracy to do these things, and cannot comply on its own despite conscientious efforts.

Argument against the proposal:

OSHA regulations were printed nearly two years ago, and have been publicized through the mass media and employer seminars. All pertinent regulations and accompanying literature are available on request. Business owners with questions on specific problems can query OSHA through an anonymous phone call without danger of a fine. First-inspection fines are a deterrent to "putting it off". To require 30-day notification would lessen enforcement and compliance, and undermine the purpose of OSHA.

For ☐ Against ☐ No Opinion ☐

5

Are you FOR or AGAINST an increase in the corporate surtax exemption from the current \$25,000 to \$100,000?

The corporate income tax rate is a basic 22%, but an additional 26% surtax is applied on all taxable income above \$25,000. This proposal would lower tax on the next \$75,000 of income.

Argument for the proposal:

Since 1938, the surtax has been applied beginning at \$25,000. Inflation and the increased strength of giant corporations compared to small business dictate that this be increased. Every dollar above the exemption is taxed at a 48 percent combined rate. As inflation requires more after-tax earnings for business growth and stability, the tax burden makes this more difficult to achieve. If the first \$100,000 taxable income were exempt from the surtax, as proposed, small businesses would retain more earnings and be able to participate in economic expansion. This is the most direct means of tax relief for small corporations.

Argument against the proposal:

This proposal would substantially reduce Federal revenue from corporation income tax, inasmuch as every business with more than \$100,000 net taxable income would realize a saving of \$19,500 (the surtax on the increased exemption). While smaller firms would get the highest proportionate saving, even multi-billion dollar corporations would benefit, too. Opponents say that a better alternative to this proposal would be adoption of a graduated corporate tax, similar to the brackets of the individual income tax.

For ☐ Against ☐ No Opinion ☐

Results of Mandate 368

This National summary of votes has been sent to all Congressmen, Senators, Governors, Congressional committees and key officials in the Executive Branch of the Government.

1. Proposal that businesses be permitted to request fine-free consulting inspections for Occupational Safety and Health Act compliance.

For	Against	No Opinion
86%	8%	6%

2. Proposal that no welfare payments be made under Aid to Families with Dependent Children program to fathers on strike.

For	Against	No Opinion
85%	13%	2%

3. Proposal that Federal Minimum Wage be raised to \$2.50 an hour without lower scale for youth employment.

For	Against	No Opinion
7%	91%	2%

4. Proposal to transfer homeowners' section of Small Business Administration Disaster Relief Program to Federal Housing Administration.

For	Against	No Opinion
41%	33%	26%

5. Proposal that wage-price-rent control program be extended beyond authorized period, April 30th.

For	Against	No Opinion
68%	25%	7%

Our Purpose and Program:

To promote and protect our system of private business, with equal rights for all.

To give small business a greater voice in laws governing business and our nation.

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*That our Nation remain the Land of Opportunity by giving
Independent Business Fair Consideration.*

Washington and Small Business

by NFIB staff

Competition in Post Offices

Answering business complaints passed on by NFIB, the Postal Service denies it has installed vending machines which provide merchandise in competition with stationery stores. BUT, it acknowledges that it has investigated and found two private companies have installed such machines — painted red, white and blue. The firms, who lease space in post offices, are required to display a sign indicating the equipment is privately owned.

Controversy doesn't end there, however, in view of Postal Service's proposal to provide greater retail services through leasing. We continue to represent small business interests.

Vietnam Vet Help

Small Business Administration has opened three new areas of financial help and management training to Vietnam-era veterans.

Honorably-discharged vets are eligible for maximum 15-year, \$50,000 business loans at special low interest rates; special help to secure government contracts; government-funded management and technical training from private management consultant companies, all in addition to normal SBA services to the business-professional community. Know a Vietnam vet? He may be interested.

**VOTE your Mandate . . .
Let's Carry the Message
To the New Congress**

NFIB Alert on Developments

Members' ballot comments to their Congressmen against effort to Federalize unemployment compensation mandates that your Federation follow developments in the new Congress.

Pressure also applied to have states broaden coverage and liberalize benefits, following National Commission's study recommendations for 80 improvements in state workmen's comp laws. Federation, through its newly expanded State and Local Programs Department, will broaden action on state level as this comes up. Commission recommended that weekly cash benefits for temporary or permanent total disability should be two-thirds of worker's gross weekly wage, up to state average.

Busing Still Issue

But for a time-wasting filibuster by a small band of liberal Senators in the waning hours of the 92nd Congress, a bill banning busing would now be on the statute books of our country — and your Federation would be able to report success. Throughout the 92nd Congress your Federation, in line with membership Mandate vote, worked hard on this. Success was overwhelming in the House. Votes for Senate passage were assured, but by use of the filibuster the measure carried over to the 93rd Congress where the fight will be renewed.

Retailers' Outcry Limits PX Growth

"Voluminous correspondence" from retail merchants convinced a Congressional committee not to permit the sale of stereo components in military PXs . . . at least holding the line for now.

A House Armed Services Subcommittee cited potential impact of such sales on private firms, concluding "it would not be appropriate at this time" to authorize sale of stereo components in post exchanges. It's an example of vigilance and the power of collective voices.

Tax Publications

The newest, enlarged edition of "Tax Guide for Small Business" is now available from Internal Revenue Service offices, the Government Printing Office, and some post offices. Cost, 75 cents. Contents include sample filled-in forms and schedules, and specifics relating to setting up, operating or disposing of a business, whether it is a sole proprietorship, partnership or corporation.

Employers' responsibilities for withholding, depositing, paying and reporting Federal income tax, Social Security and Federal unemployment tax are all covered in the 1973 Employer's Tax Guide, which has been mailed by IRS to the nation's employers. Major changes from 1972 are increases in Social Security and unemployment taxes.



NATIONAL FEDERATION OF INDEPENDENT BUSINESS

The RIGHT TO EXPRESS YOUR OPINION is a RICH HERITAGE... *USE IT!*

VOTE YOUR MANDATE



PENSION REFORM
OSHA ✓ CONSUMER
FOOD STAMPS ✓ PR
ENERGY ✓ METRIC C
✓ LABOR ✓ HEW ✓ N
SMALL BUSINESS A



HOW CONGRESS VOTED



ON MANDATE ISSUES

NATIONAL FEDERATION OF INDEPENDENT BUSINESS



WILSON S. JOHNSON

FROM THE OFFICE OF THE PRESIDENT

We are happy to present for your information the following report of the recorded Roll Call Votes of Members of the United States Senate and the House of Representatives on those *Mandate Issues* acted upon by the Congress in 1974.

In addition to the *Mandate Issues* which were finally voted upon by the Congress with a recorded Roll Call Vote, please bear in mind that there were many additional issues receiving Congressional Action for which there is no recorded vote.

Your Washington staff testified at many of the Congressional Hearings leading up to these votes. They also made many contacts with individual Congressional Representatives prior to the time these Bills were acted upon.

We are making this report of Roll Call Votes available in response to widespread membership requests for this type of information. The position taken by each Member of Congress is as reported by the Congressional Quarterly, which in turn has taken its information directly from the Congressional Record, the official journal of Congressional proceedings.

We would like to make it clear that in presenting this report we are not, directly or by implication, attempting to rate Members of Congress. This is your prerogative and responsibility as individual citizens.

Sincerely,

WILSON S. JOHNSON, President

1974 ISSUES AND EXPLANATIONS (SECOND SESSION, 93rd CONGRESS— U.S. HOUSE OF REPRESENTATIVES)

1. HR 15580 (OSHA — Small Business Exemption — Labor/HEW Appropriation) — An amendment by Representative Findley (Ill.) prohibiting OSHA inspections of firms employing 25 or fewer persons in fiscal year 1975. Adopted 201 - 194. On Mandate 362, NFIB members voted 79% in favor of this exemption. A "yea" vote is a vote in favor of the Federation's position.

2. HR 15580 (OSHA — Small Business Exemption — Labor/HEW Appropriation) — Representative Steiger (Wis.) requested a second vote on the Representative Findley (Ill.) amendment prohibiting OSHA inspections of firms employing 25 or fewer persons in fiscal year 1975. Adopted 190 - 182. Refer to Vote #1 for Mandate vote. A "yea" vote is a vote in favor of the Federation's position.

3. HR 15580 (OSHA — On-Site Consultation — Labor/HEW Appropriation) — An amendment by Representative Steiger (Wis.) earmarking \$5 million for on-site consultations with employers to identify possible OSHA violations without being cited. Adopted 301 - 100. On Mandate 368, NFIB members voted 86% in favor of on-site OSHA consultations. A "yea" vote is a vote in favor of the Federation's position.

4. HR 13163 (Consumer Protection Agency) — An amendment by Representative Brown (Ohio) to restrict the Consumer Protection Agency's access to other federal agencies' information, to limit its authority to seek judicial review of agency decisions, and to delete its indirect subpoena power. This was an attempt to curb the unlimited investigatory power the original bill would have given the CPA and to make it more acceptable to the business community. Rejected 176 - 223. On Mandates 349 and 350, NFIB members voted 66% and 58%, respectively, against an Office of Consumer Affairs, and on Mandates 314 and 383, they voted 75% and 84% against the creation of an independent Consumer Protection Agency. It follows that any measure to limit the power of this agency would be in line with this stand. A "yea" vote is a vote in favor of the Federation's position.

5. HR 13163 (Consumer Protection Agency) — Passage of the bill creating an independent Consumer Protection Agency. Passed 293 - 94. Refer to Vote #4 for Mandate vote. A "nay" vote is a vote in favor of the Federation's position.

6. HR 2 (Private Pension Reform — Self-Employed Pension Plans) — An amendment by Representative Long (La.) to reduce to \$6,000 from \$7,500 the maximum tax deductible amount that a self-employed person could contribute to his own retirement fund each year. Rejected 63 - 323. On Mandate 364, NFIB members voted 76% in favor of increasing this tax deductible amount to \$7,500. A "nay" vote is a vote in favor of the Federation's position.

7. HR 2 (Private Pension Reform — Self-Employed Pension Plans) — An amendment by Representative Conable (N.Y.) to allow adjustments of the maximum tax deductible amount for a self-employed person by increases in the cost of living. Rejected 183 - 206. This amendment is in keeping with the policy established by NFIB members in Mandate 364, when they voted to increase the maximum tax deductible amount for self-employed persons. A "yea" vote is a vote in favor of the Federation's position.

8. HR 2 (Private Pension Reform) — Passage of the bill to establish minimum federal standards for private pension plans. Although this bill did include provisions opposed by NFIB members, such as minimum standards for vesting and employee eligibility, it increased the maximum tax deductible amount for self-employed persons to \$7,500 and made other needed improvements in Keogh-type pension plans. Passed 376 - 4. Refer to Vote #6 for Mandate vote. A "yea" vote is a vote in favor of the Federation's position.

9. HR 7917 (Consumer Product Warranties) — Passage of the bill to set minimum federal standards for consumer product warranties. Passed 384 - 1. On Mandate 357, NFIB members voted 72% in favor of this legislation. A "yea" vote is a vote in favor of the Federation's position.

10. HR 15472 (Agricultural Appropriations — Food Stamps) — An amendment by Representative Dickinson (Ala.) to make households of striking workers ineligible for food stamps. Rejected 147 - 169. On Mandates 352, 357, and 368, NFIB members voted 83%, 88%, and 85%, respectively, in favor of prohibiting the use of food stamps to striking workers. A "yea" vote is a vote in favor of the Federation's position.

11. HR 11035 (Metric Conversion) — A motion by Representative Teague (Tex.) to suspend the rules and pass the bill to establish a national board to plan for conversion to the metric system. This legislation was brought up under a House procedure (suspension of the rules) that required a two-thirds majority for passage. Rejected 153 - 240. On Mandate 305, NFIB members voted 54% against conversion to the metric system, but on Mandate 369, they voted 51% in favor of such a change. Since these votes established no clear indication of the membership's position, NFIB felt obligated to support the status quo until the membership's position becomes clear. A "nay" vote is a vote in favor of the Federation's position.



Explanation of Congressional Voting Key

1. RECORD VOTE — A record vote is a roll call vote of the entire membership of either the House or the Senate. Each Member wishing to register his or her vote on the official record must answer "Yea" (Y), or "Nay" (N).

2. ANNOUNCED FOR OR AGAINST — When a Senator knows that he will be absent for a vote and wants to make certain that his position on the bill is known, he publicly announces for or against it. This puts his preference officially on the record. The House does not follow this procedure.

3. PAIRED FOR OR AGAINST — The House Member uses the pair in the same manner the Senator uses "announcing." He or she is "paired" with a colleague holding an opposite position, thereby making his or her preference on a particular vote known. In both the Senate and the House, the "pair" is sometimes used as a tactical maneuver. Members who plan to be absent for important votes try to neutralize a Member of the opposition by getting him or her to agree to "pair." This is called a "live pair," because one of the "paired" Members is present and able to vote.

4. NOT VOTING — A Member can be listed as not voting when he or she is either absent or voting present on a roll call vote. If a Member does not wish to vote or publicly announce his or her position, he or she simply answers "present," when the Clerk calls his or her name.

HOUSE VOTING RECORD

- Y Record vote yea
- ✓ Paired for
- N Record vote nay
- X Paired against
- ? Not voting
- Voted 'present' to avoid possible conflict of interests
- V Vacancy

NOTE: Votes appearing in red are votes favorable to the Federation's position. Votes appearing in blue are opposed to the Federation's position.

(Members of the House of Representatives are listed numerically according to their Congressional districts.)

	1	2	3	4	5	6	7	8	9	10	11
Alabama											
Edwards, J.	Y	?	Y	Y	N	N	Y	Y	Y	?	Y
Dickinson, W. L.	Y	Y	Y	Y	?	N	Y	Y	Y	Y	N
Nichols, B.	Y	Y	Y	Y	N	?	?	?	Y	?	?
Bevill, T.	N	N	N	?	?	Y	N	Y	Y	?	?
Jones, R. E.	?	N	Y	N	Y	N	Y	?	N	?	?
Buchanan, J.	Y	Y	Y	Y	N	N	Y	Y	Y	Y	Y
Flowers, W.	Y	Y	Y	Y	Y	N	Y	Y	N	?	?
Alaska											
Young, D. E. (at large)	Y	Y	Y	Y	Y	N	Y	Y	Y	?	Y

	1	2	3	4	5	6	7	8	9	10	11
Arizona											
Rhodes, J. J.	Y	Y	Y	Y	Y	N	Y	Y	Y	?	Y
Udall, M. K.	?	?	N	N	Y	N	N	Y	Y	?	Y
Steiger, S.	Y	Y	Y	Y	N	N	Y	N	Y	N	Y
Conlan, J. B.	Y	Y	Y	?	?	N	Y	Y	?	Y	N
Arkansas											
Alexander, B.	Y	Y	Y	Y	N	Y	N	Y	Y	Y	Y
Mills, W. D.	?	?	?	N	Y	?	?	?	Y	N	?
Hammerschmidt, J. P.	Y	✓	Y	Y	N	Y	Y	Y	Y	N	N
Thornton, R.	Y	✓	Y	N	Y	N	Y	Y	N	?	?

	1	2	3	4	5	6	7	8	9	10	11
California											
Clausen, D. H.	Y	Y	Y	Y	Y	N	Y	Y	?	Y	N
Johnson, H. T.	N	N	N	N	Y	Y	N	Y	Y	N	N
Moss, J. E.	N	N	N	Y	?	?	?	?	Y	N	Y
Leggett, R. L.	N	N	Y	N	Y	?	Y	?	Y	?	?
Burton, P.	N	N	N	Y	?	?	?	?	Y	N	N
Burton, J.	N	N	N	V	?	?	?	?	Y	V	V
Dellums, R. V.	N	N	N	Y	Y	N	Y	Y	N	Y	Y
Stark, F. H.	N	N	Y	?	?	Y	N	Y	Y	N	N
Edwards, D.	N	N	N	N	Y	N	Y	Y	Y	N	Y
Gubser, C.S.*	Y	Y	N	Y	N	N	Y	Y	Y	Y	Y

The Purpose and Program of the NFIB is

- **To promote and protect our free enterprise system, with equal rights for all**
- **To give independent business a greater voice in laws governing business and our nation**



For further information write:

NATIONAL FEDERATION OF INDEPENDENT BUSINESS

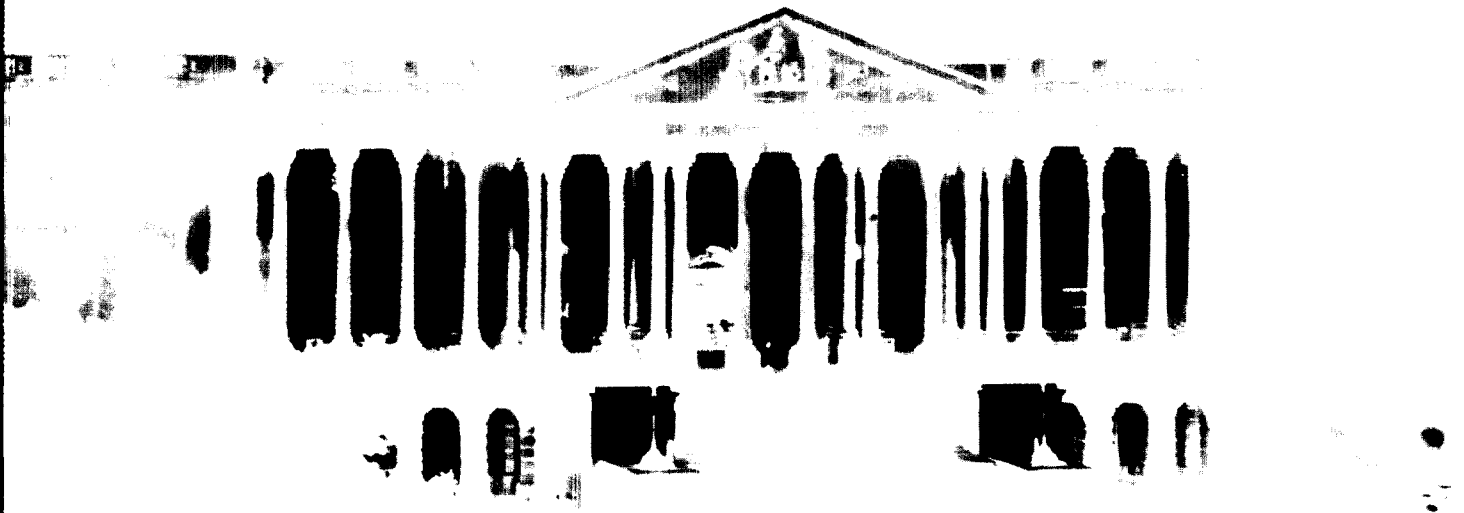
490 L'Enfant Plaza East, S.W. / Suite 3206 / Washington, D.C. 20024

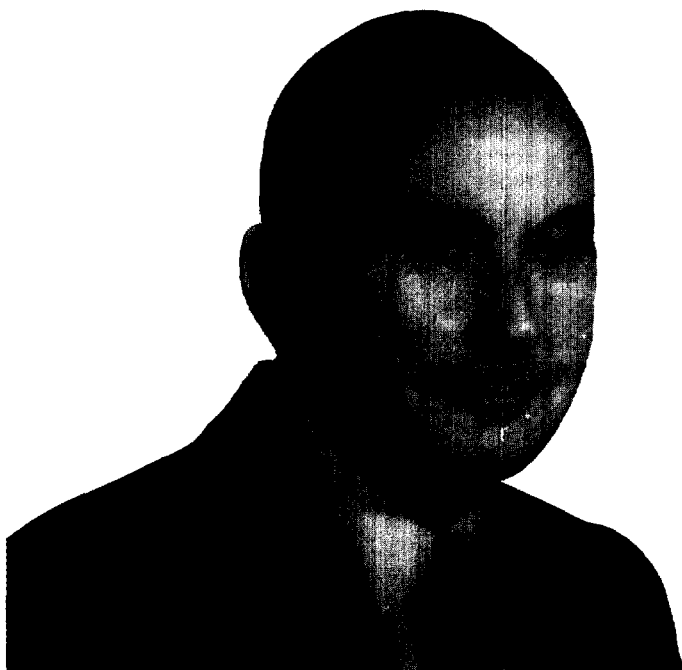
or

150 West Twentieth Avenue / San Mateo, CA 94403

Action in Congress

A 24-page report by the Legislative Staff, Washington, D.C.





WILSON S. JOHNSON

Dear Federation Member:

Many people don't realize fully what it takes to get things done in Washington. They're unaware—of the need for constant alertness to avoid surprises, of the need for in-depth research when preparing to testify, of the sharp questions which are asked by Congressional Committees, of the constant "head-counting" to separate friend from foe from doubtful, of the need to encourage friends and work on the undecided, of the hard judgments that must be made to coordinate grass roots support at just the right moment, of the wearying round of constant personal contact, by phone, by mail, and in person.

You may be unaware of this Washington reality—if not, certainly some of your business and professional friends and neighbors are. This is why we continue departing from our traditional Action Report format to give you a look at just three of the many issues handled by your Washington Staff: legislative authority for the House Small Business Committee, the Occupational Safety and Health Act, and pension reform.

Furthermore, members of your Federation's Washington Staff had over 3,000 individual contacts and conferences with Congressional Representatives, their staff members, and Executive Branch Agencies on individual and general small business problems, as well as Federation operations, during this period. At the same time, the Staff intervened with Congress and the Executive Branch on behalf of more than 3,500 individual Federation members who reported difficulties involving laws and regulations.

In addition, your State and Local Affairs Department is in contact with the Governors, Legislators and other officials in State capitols. Effective during the latter part of this past year, this Department expanded and now has Area Directors covering all of the 50 State capitols, influencing governmental units to legislate favorably for the independent business community.

Behind the scenes there are other powerful forces working for you:

There is the Publicity Program which has resulted in your opinions being quoted in over 1,000 daily and 750 weekly newspapers, on more than 1,000 radio and TV outlets, in countless radio and TV interviews, and 500 trade publications.

There is the Television Program being shown on a nationwide basis, which tells the story of small business and the importance of the free enterprise system. For the first time your story is being told over television to your customers and the voters of America.

There is the daily work being done by the members of your Federation's Field Force, with over 400 fully-trained representatives calling on approximately 4,000 independents each day, alerting them to pending legislation and seeking their cooperation in a concerted effort.

There is the Public Relations Program which involves hundreds of talks each year before civic, trade and other groups, plus millions of direct mailings.

There is the Outdoor Billboard Program, stressing the importance of small business in our economy. During the first year your Federation's message was shown on 5,000 boards and viewed by an estimated 120,000,000 people. This year, with a new and more attractive display, we expect showings in 7,500 locations and exposure to 180,000,000 people.

There is the vastly-strengthened State and Local Affairs Program which meaningfully involves your Federation, on behalf of members in each jurisdiction, with State-level legislative developments directly affecting independent business, and indirectly strengthening the national thrust.

And there is the greatly-expanded Educational Program directed at educators and youth leaders in thousands of schools and colleges. NFIB educational literature, filmstrips and speakers help alert young people to the importance of a sound economic climate for business and the vital contributions of the independent business sector to America's stability and progress.

All these forces ultimately culminate in legislative action and when synchronized with hard-driving Washington effort, are the reason for progress reported. But while much has been done, a big job remains ahead. Therefore it is of vital importance that you, together with your fellow independents, continue your active, direct interest in Government through your Federation for further progress in the year ahead.

Sincerely,

WILSON S. JOHNSON, President

Legislative Authority for House Small Business Committee

A 31-year-old struggle ended in victory for NFIB on October 8, 1974 when the House passed a resolution giving the House Small Business Committee legislative authority.

January 17: NFIB mobilizes its support for legislative authority for the House Small Business Committee through massive grass roots letter-writing campaign.

January 25: NFIB develops "White Paper" on legislative authority and distributes to Congress. Wilson Johnson and Washington staff meet with key Representatives and receive their pledge in support of legislative authority. Members of the House start receiving letters from NFIB Advisory Council Members, these letters by year's end number in the tens of thousands.

February 5-7: Members of the Select Committee on Committees (the key to HSBC legislative authority) individually contacted and offer overwhelming support.

February 11: Grass roots campaign carried out by the 11,000 NFIB members in the Congressional Districts of the Representatives who sit on the House Select Committee on Committees.

February 13-14: Individual contact by Washington staff with influential Members of the House.

February 21: NFIB conducts mail campaign with other trade associations to mobilize them in support of legislative authority.

February 25: Rep. Steiger (Wisc.) agrees to offer Rep. Thomson's (Wisc.) proposal for legislative authority to the Committee on Committees.

February 28: NFIB develops letter to Members of the Select Committee on Committees answering the most important questions pertaining to legislative authority.

March 6: Wilson S. Johnson discusses legislative authority with twenty-five Congressmen.

March 7: The House Select Committee on Committees votes to recommend legislative authority for the House Small Business Committee.

March 21-22: NFIB members in eighty-five Democratic Congressional Districts urged to contact their Congressmen asking support for legislative authority in the Democratic Caucus.

March 28: NFIB works with Rep. Yatron (Pa.) on Congressional Record article supporting legislative authority.

April 12: NFIB urges members in 122 Congressional Districts to ask their Congressmen to support legislative authority.

April 15: NFIB urges members in 112 Republican Congressional Districts to ask their Congressmen to support legislative authority. In an attempt to kill the bill, the House Democratic Caucus votes to send the HSBC resolution to a special Caucus Committee for review.

July 9: Each Member of the House receives a letter pointing

out the SBA's Advisory Council resolution supporting legislative authority for House Small Business Committee.

July 11: Letters to all Congressmen still uncommitted to support legislative authority. Wilson Johnson sends telegram to Democratic leadership asking support of legislative authority in the Democratic Caucus. Key Representatives send "Dear Colleague" letter in support of legislative authority.

July 23: Democratic Caucus votes to send resolution containing legislative authority to House Floor. A weaker resolution without legislative authority drafted by Rep. Hansen (Wash.) also passes.

July 25: Procedure dictates the weaker Hansen (Wash.) resolution without legislative authority be considered first. Search conducted to find a Congressman willing to amend the Hansen (Wash.) resolution, to provide legislative authority, on the Floor.

July 30: Rep. Hansen (Idaho) agrees to try to amend Rep. Hansen (Wash.) resolution on the House Floor, for HSBC legislative authority.

August 1-7: Rep. Hansen's (Idaho) staff is briefed and work begins on amendment.

August 16: Word received from the Select Committee on Committees that organized labor has convinced Committee Chairman Madden (Ind.) of the Rules Committee to withdraw all House Committee reform legislation from his calendar.

August 19: Chairman Madden reverses decision and schedules legislation for House Floor. NFIB plays major role in reversal.

August 20: NFIB Board Member Frank Cruger cements Rep. Madden's decision for September hearing. NFIB District Managers in Texas and Oklahoma begin final phase of grass roots campaign to gain Congressional support, via membership contact, for legislative authority.

September 9: Information received that labor intends to defeat resolution by defeating the procedural vote on the Rule. Counterplan developed with staff of Select Committee on Committees.

September 10: All NFIB Advisory Council Members notified and reminded to write their Congressmen in support of legislative authority.

September 16: In case of a Floor fight a coalition of Congressmen supporting legislative authority is united for action. NFIB prepares and distributes questions to define the issue which are used during Rules Committee debate. Strategy meeting of all Congressional staffs involved is held.

September 24: Wilson Johnson sends letters and telegrams to Members of the House in support of legislative authority.

September 25: Close vote seen in Rules Committee. Eleventh hour effort made to contact all Members of the Rules Committee. Rule granted by voice vote after very close vote on a motion to postpone. Legislation moves to Floor for vote.

September 26-30: Labor attempts to defeat Resolution on procedural vote on the Rule. Intensive NFIB personal contact

campaign to counter labor's effort results in an overwhelming victory.

October 1: NFIB prepares and distributes a series of "White Papers" on legislative authority.

October 7: Victory! House passes Hansen (Idaho) amendment, giving House Small Business Committee legislative authority. Now, legislative authority is in all reform proposals.

October 8: A continuing 31-year battle ends in final victory at 11:20 PM on October 8, 1974 as the House passes the Hansen (Idaho) proposal giving the House Small Business Committee legislative authority.

OSHA

Early in 1974 NFIB took the lead in developing support for OSHA reform. Because of House and Senate Labor Committee roadblocks, your Federation aimed for changes through OSHA amendments to the HEW/Labor Appropriations bill. NFIB alone supported Small Business Exemption, and was prominent among the few supporting On-Site Consulting program.

February 27: Initial conference held with staff of Rep. Steiger (Wisc.) urging reforms through amendment to the HEW/Labor bill.

March 12: Conference with Senator Clark's (Iowa) staff urging the Senator to support Senator Dominick's (Colo.) bill which would place the On-Site Consulting responsibility in the Department of Labor, and not in the Small Business Administration as favored by the Labor Department and unions.

March 13: Conference with OSHA Legislative Counsel on the Department's position favoring On-Site Consulting program through SBA.

March 15-May 8: NFIB staff schedules conferences with virtually every senatorial office to develop support for the On-Site Consulting program through the Labor Department.

March 18: Strategy meeting with the House Republican Steering Committee to develop support for NFIB's program.

March 21-June 27: NFIB continues intensive personal lobbying campaign in the House for the OSHA amendments developed by the Federation.

April 25: NFIB meets with White House Domestic Advisors in effort to develop pressure on the Department of Labor to change its policy regarding OSHA amendments, and in particular the On-Site Consulting function. Same time a second conference is held with Rep. Steiger in an effort to develop a more meaningful On-Site amendment, and an official NFIB statement on the need for OSHA reform is presented to the Senate Small Business Committee.

May 1: Intensive lobbying effort begun in the Senate.

May 8: Dominick bill defeated 47-41. Measure actually contained five separate OSHA reform provisions, therefore the close vote viewed as encouraging, since 41 Members of the Senate favored it.

June 3: Rep. Steiger agrees to sponsor On-Site Consulting amendment to the HEW/Labor Appropriations bill, but through the states rather than the Labor Department.

June 5-June 12: Intensive Congressional contact program initiated by Washington staff for OSHA amendments. Because of House rules regarding amendments to appropriation bills all but the Small Business Exemption and the On-Site Consulting amendments dropped.

June 13-June 25: NFIB meets with other trade groups in an effort to develop support for OSHA amendments. None joined NFIB in fight for the Small Business Exemption and very few, if any, took an active part in promoting any On-Site Consulting.

June 24: At the request of the NFIB Washington staff, Rep. Steiger holds meeting of all the sponsors of OSHA amendments. The Congressman uses an NFIB telegram on the need for On-Site Consulting to demonstrate to his colleagues the support of small business. Position paper used on the Floor of the House in support of the Small Business Exemption and On-Site Consulting researched, written and distributed by NFIB.

June 27: NFIB's strategy proves successful as the Small Business Exemption and the On-Site Consulting amendments passed by House.

July 1: Immediately following NFIB House victory, Washington staff begins developing strategy for the Senate OSHA push. First step: a meeting with the Senate Steering Committee to discuss NFIB's OSHA strategy.

July 7-September 18: NFIB along with the Senate Steering Committee embarks on extensive effort to meet with individual Senators, to develop sponsors for the OSHA amendments.

July 3: John Stender, Assistant Secretary of Labor for OSHA meets with Washington staff and hears NFIB's proposal to establish OSHA Policy and Administration Review Commission. All Members of the House and Senate sent copy of this proposal. Between 75 and 100 Legislators write to Stender in support of NFIB's position.

July 16: At the request of Senator Javits (N.Y.) NFIB prepares a cost estimate for providing a minimal level of On-Site Consulting.

July 19: Conference with the Executive Secretary of the National Advisory Committee of OSHA on NFIB's proposed Policy and Review Commission.

July 26: At NFIB request, virtually all of the Senate Steering Committee Members indicate support of NFIB's request.

July 31: Testimony before the Senate Labor Committee on the need for OSHA reform.

August 15: NFIB staffers meet with the DOL's policy advisors regarding the need for revamping of OSHA's current enforcement activity.

August 20: Each Senator indicating support of the OSHA amendments given a background paper to assist in preparing floor statements in support of the OSHA amendments.

August 30-September 18: NFIB staff members personally assist several Senators in the preparation of their floor statements and in drafting "Dear Colleague" letters in support of the Small Business Exemption and the On-Site Consulting provision.

September 4: NFIB invited to address top Senate staffers on OSHA strategy and to answer their questions on NFIB's proposed amendments.

September 13: Every Member of the House and Senate receives a copy of a monograph "The OSHA Dilemma," authored by NFIB.

September 17: In anticipation of the NFIB OSHA amendments being presented on the Senate Floor the next day, each Senate office contacted and the support of each Senator requested for the OSHA amendment.

September 18-September 19: On three different occasions the Senate votes down the Small Business Exemption, while at same time passing On-Site Consulting provision based on state contracts.

September 19: Testimony before the House Labor Committee on the need for OSHA reform.

September 20-September 25: "Thank You" letters dispatched to all Senators who supported the NFIB OSHA amendments.

October 24: Further testimony before the National Advisory Committee of OSHA in support and in defense of NFIB's proposal for a Policy and Review Commission.

November 26: Congress approves, and sends the President for signature HEW/Labor Appropriations Bill containing On-Site Consulting amendment, plus a new provision exempting firms with ten or fewer employees from complying with certain OSHA recordkeeping and reporting requirements. (Previously only those firms with seven or fewer employees were exempted.)

Pension Reform P.L. 93-406

In Mandate 364, you directed your Federation to work for an increase in the tax deductible limit for the self-employed (Keogh-type plans) from \$2,500 to \$7,500. Here is how your NFIB Washington staff worked with Congress to meet your Mandate on pensions in 1974:

January: Due to the inadequacy of facts on small business pension programs, NFIB develops a nationwide survey of employee retirement plans. Primary objective: to inform Congress of the effect on small business of existing pension legislation and proposed changes. Results from the NFIB survey distributed to selected Senators and Congressmen.

January-February: Washington staff engages in series of meetings with other business and professional organizations to plan strategy for maintaining or increasing the self-employed deduction then in the pension legislation. In draft

legislation, self-employed deduction raised from \$2,500 to \$7,500. The Individual Retirement Account (IRA) concept, allowing any person not in a qualified pension plan to make tax-free deductions to a private retirement program, also in the legislation. Both provisions under fire as "tax breaks for the wealthy."

February: NFIB meets with key Senate and House Members to voice its demands for the increase in the self-employed deductions and the IRA. An intensive lobbying campaign is undertaken with other Congressmen and their key staffers.

February 25: Washington staff prepares and delivers concise paper to key Congressmen emphasizing reasons to vote for the increase in the Keogh deduction.

February 26: NFIB analysis of administrative cost and impact on small business of the proposed pension bill read into the Congressional Record during debate. This is the second technical paper prepared by NFIB on the pension subject.

February 27: NFIB sends telegrams to the House supporting the amendment to make the \$7,500 limit provided under the Keogh plan subject to a cost-of-living adjustment.

February 28: Cost-of-living Amendment fails by small margin — NFIB staff will continue to support this concept in the next Congress. The House soundly defeats an amendment designed to reduce Keogh limits, at the same time approves overwhelmingly the upper Keogh limits provision of \$7,500, with the IRA tax-free deduction of \$1,500 safely in the bill.

March 4: Senate unanimously passes pension legislation and now the House and Senate will meet in a conference on the bill.

April 23: NFIB participates in the Senate Select Committee on Small Business' Subcommittee on Pensions. Subcommittee meets with the IRS to comment on pension legislation, its reporting requirements, forms, and new regulations.

May: NFIB meets as member of Subcommittee on Pensions with the IRS. Paper is prepared outlining the dual jurisdiction between the IRS and the Department of Labor and the problems this presents to small business.

June: NFIB sends telegram to Pension Conference Committee strongly opposing the establishment of more stringent vesting rules for small business than the requirements placed on business in general. NFIB successful in preventing a separate vesting rule for small business.

August 20: Pension conference report approved by House.

August 22: Pension conference report approved by Senate.

September 2: Employee Retirement Income Security Act, signed into law by President Ford on Labor Day.

September 24: Senator Bible, Chairman of the Senate Select Committee on Small Business praises NFIB in Congressional Record for NFIB's work in developing the pension survey and NFIB's help to Congress in gathering information and facts pertaining to pension programs in the small business sector.





Here are some of the additional accomplishments which your Federation helped achieve in 1974

TAX RELIEF

Six-month research program funded by NFIB results in small business general tax relief bill. As urged in House Ways & Means Committee measure would have (1) liberalized the additional first-year depreciation feature of the 1958 Small Business Tax Relief Act, (2) extended the loss carry-back provision of tax law from the current 5 years to 10, and (3) effectively extended benefit of LIFO inventory method (which reduces business' taxable income base) to smaller, independent firms. Committee approved tentatively first two features, and ordered Treasury to simplify requirements of LIFO feature. Lack of time prevented final action, but NFIB's tax revision drive is carrying over to this year.

GOVERNMENT COMPETITION

Federation vigorous action on two fronts results in some gains for independents. U. S. Postal Service lines of office supply items offered for sale to the public reduced from 21 to 12, agency forced to charge sales taxes on all items, and its ability to advertise its goods is limited. General Services Administration prohibited from selling goods at low federal government prices to enterprises receiving federal grants.

PAPERWORK BURDENS

NFIB initiative prompts introduction of bill to create a special commission to study the impact of federal paperwork burdens

on smaller firms. House and Senate approved the measure, and the President signed the bill into law. Commission now being set up. Its reports and recommendations for reducing and streamlining required paperwork due within two years.

SMALL BUSINESS FINANCING

NFIB drive to strengthen Small Business Administration financial assistance services to independents approved by House and Senate. Legislation signed by President calls for additional \$1.125 billion for SBA revolving fund, with \$400 million set aside for government direct, low-interest loans, and for SBA aid to firms injured by the energy crisis, OSHA, clean air and water regulations. Supportive appropriations bill to provide actual money for this financing fails to pass because of lack of time. Federation driving for supplemental appropriations bill in face of threat by President to impound a large share of whatever monies are appropriated.

RURAL DEVELOPMENT

Protests by NFIB result in Labor Department terminating its practice of clearing with AFL-CIO alone, small business loan applications for relocation into rural areas. Department now publishes fact of applications to allow comment by all interested parties, not labor alone. NFIB protests continue, on grounds that all applications should be processed within Government itself, without outside intervention.



Earlier laws passed in line with Federation effort which may help you

Taxes

Investment Tax Credit, P.L. 92-178 (1971). Enables you to recover as a tax credit up to 7% of the cost of your investments in tangible personal property used in your trade or business.

Small Tax Court, P.L. 91-172 (1969). Creates a simplified Tax Court small claims procedure which can be used, at the taxpayer's choice, when disputes with IRS involve sums of \$1,000 or less.

Additional Depreciation, P.L. 85-866 (1958). Permits you to write off in the first year after purchase, within certain limits, 20% of the cost of new or newly-purchased used machinery and equipment with a useful life of six or more years.

Faster Depreciation Procedures. Treasury Dept. 1962 ruling permits you to take 17% average faster normal depreciation allowances on your purchases of new plant equipment.

Choice to Pay Taxes at Individual Income Rates, P.L. 85-866 (1958). Permits certain smaller corporations to avoid payment of corporate taxes, with stockholders paying taxes only at individual income tax rates.

Income Averaging for Individual Taxpayers, P.L. 88-72 (1964). Enables unincorporated business and professional people, under certain circumstances, to secure benefit of lower tax rates by averaging high with low income years.

Liberalized Income Averaging, P.L. 91-172 (1969). This reduces the percentage by which an individual's income must be increased in order to average his income over a period of years to secure advantage of lower rates (reduces required amount of increase from 33⅓% to 20%).

Estate Tax Feature, P.L. 85-866 (1958). Allows families of deceased business and professional people, subject to certain conditions, to spread payment of estate taxes over a period of ten years.

Tax Refunds During Loss Years, P.L. 85-866 (1958). Enables you to apply a current operating loss against profits for three prior years.

Reserves for "Rainy Days," Expansions, P.L. 85-866 (1958). Enables you to accumulate \$100,000 in earnings in your business before having to pay out dividends.

Private Retirement Program, P.L. 87-792 (1962). Assists un-

incorporated business and professional people in financing their private retirement programs by certain tax deductions.

Liberalization of Private Retirement Program, P.L. 89-809 (1966). Liberalizes 1962 enactment by doubling deduction which may be taken to offset payments into private retirement programs (maximum deduction raised from \$1,250 to \$2,500 a year).

Further Liberalization of Private Retirement Programs, P.L. 93-406 (1974). Further increases the maximum deduction allowable in Keogh-type programs to \$7,500 yearly. Also permits individuals not covered by private pension plans to save or invest up to 15% of their income tax-free, for a maximum \$1,500 each year, to finance their retirements.

Financing

Encouragement to Invest, P.L. 85-866 (1958). *Encourages individuals to invest in smaller firms by providing them with hedges against losses on such investments.*

Sources of Long-Term Funds, P.L. 85-699 (1958). Provides for a system of privately-owned Small Business Investment Companies, to make up to 20-year loans to small firms, and provides source of capital funds through purchase of stocks, bonds, etc.

Medium Term Loans, P.L. 83-163 (1953) and P.L. 85-536 (1958). Creates and makes permanent the Small Business Administration, and charges it with responsibility to assist in securing loans for otherwise credit-worthy small businesses which cannot secure financing privately. SBA-assisted loans for operating capital and equipment purchases have averaged a five-year repayment period. Agency's main avenue of aid is through cooperation with private lenders, encouraging them by guaranteeing repayment of up to 90% of funds advanced.

Natural Disaster Loans, P.L. 83-163 (1953). Authorizes Small Business Administration, directly or in cooperation with private sources, to make special low-interest rate loans to business and professional people to help in repair of damage done by hurricane, flood, earthquake, etc. Program has been vastly expanded since 1953 (effective only when official declaration of "Disaster Area" issued).

Aid for Independents Injured by Energy Crisis, P.L. 93-386 (1974). Authorized Small Business Administration to provide financial assistance to qualifying small firms suffering economic injury due to the energy crisis.

Relocation

Relocation Loans, P.L. 87-70 (1961). Carries approximately 5¾% interest rate (8% maximum on bank share) made by Small Business Administration, to assist business and professional people in relocating when forced to move due to highway construction.

Moving Costs, P.L. 87-70 (1961). Enables business and professional people forced to move by Urban Renewal projects to receive up to \$25,000 to cover their moving costs (prior ceiling \$3,000).

Other Costs, P.L. 88-560 (1964). Directs Small Business Administration to provide assistance to renters and owners

forced to move by Federal construction. Provides for relocation payments to firms displaced by public housing the same as for those displaced by Urban Renewal. Allows "lump-sum" payments of \$1,500 to such "private business" concerns with average annual net earnings less than \$10,000. Authorizes Housing and Home Finance Agency to make 3% long-term loans to help business and professional enterprises bring properties up to "standard" in Urban Renewal areas (applies to both renters and owners).

Advance Notice, P.L. 89-117 (1965). Requires advance notice and payment for property taken for federal construction, payment of "adequate" purchase price including payment for losses when only part of a property is taken, also increases to \$2,500 the "lump-sum" compensation possible to small firms, and includes provision for guarantee of leases which may be required in new locations.

Further Improvements, P.L. 90-495 (1968). Enables firms forced to relocate because of federally-financed highway projects to be compensated for total actual moving expenses (previous maximum allowance: \$3,000). Other assistance provided for such damage to firms.

Development

Local Development Loans, P.L. 85-699 (1958). Provides Government financial assistance to both state and privately-owned local development companies to aid communities in attracting industries, to assist existing businesses in expansions and modernization, and, for example, to build shopping centers or modernize whole districts.

Economic Development, P.L. 89-136 (1965). Creates an Economic Development Administration authorized to help rebuild economies in areas of persistent and heavy unemployment through loans made privately in cooperation with Government.

Industrial Potential Studies, P.L. 83-163 (1953). Authorizes Small Business Administration to join with private educational groups in conduct of on-the-spot surveys to determine potential for growth, and direction that should be followed, to expand the economies of areas.

Management Assistance

Following types of management counseling are available in most Small Business Administration areas, through SBA offices, P.L. 83-163 (1958):

S.C.O.R.E. Program. Provides personal counseling by retired, successful business people on business problems; no fees charged, but expenses must be paid.

SBA Staff Specialists. Constantly available to counsel with you at SBA offices on your management problems; no charge.

Administrative Management Courses made available on wide variety of business problems through SBA staff members working with colleges and other educational institutions.

Special One-Day Conferences arranged with colleges and other educational institutions dealing with specific problems (for example, collections) or broad problems (for instance, exporting).

Publications. Small Business Administration makes available a wide range of management and technical pamphlets dealing with business questions; most are available free.

Research Aids, P.L. 89-182 (1965). Sets up the Federal Government in a partnership with the states to provide business with information on the latest technical and research developments.

Foreign Trade

Help to Export, P.L. 83-163 (1953). Provides for Small Business Administration cooperation with U. S. Department of Commerce, Department of State, and Export-Import Bank to help smaller firms become more active in selling their products abroad.

Government Sales

Following assistance programs available to independents through the Small Business Administration program, P.L. 83-163 (1953):

Small Business Representatives located at all offices to advise independents on federal purchases, and to advise such buyers of possible small business sellers; these people provide other helps.

Informational Books. Through U.S. Government Printing Office and SBA offices, directories are available indicating federal buying units and advising on how to go about doing business with Government.

Military-Civilian Liaison Staff maintained at policy-making levels for purpose of assuring adequate opportunities for independents to sell to Government.

Potential Sources. Based on its widespread knowledge of small business facilities across the country, SBA is in position to advise federal buyers of numerous sources of supply. (Note: If interested in this type of business, be sure to contact your closest SBA and register.) In this phase of its programming, SBA also attempts to bring small business subcontractors together with large business prime contractors.

Contract Opportunities Meetings. SBA officials cooperate with local groups and Government and large private buyers in holding conferences at which Federal purchasing agencies explain their needs for goods and services to independent business subcontractors.

Certificates of Competency. SBA has authority to investigate and affirm the competency of a potential small business supplier to do business with government purchasing offices. Federal agencies then required to buy from firms which win approval.

Ecology

Incentives Provided for Development of Anti-Pollution Facilities (P.L. 91-172). This law provides special fast recovery of funds which are invested in anti-pollution facilities that have been put into service as an addition to pre-1969 plants.

Among other accomplishments

Unemployment Compensation Bill Rejected (1966). By substituting H.R. 1519 for H.R. 8282, the House considerably reduced proposed unemployment compensation burden to be imposed on employers. Resulting Senate dispute killed effort to extend payment of jobless benefits to 52 weeks.

Some of the Important Testimonies before, statements to, and conferences with Congressional Committees and Federal policy makers—1974 (based on Mandate votes and special surveys)

Topic and Committee	Date of the Testimony	Topic and Committee	Date of the Testimony
<i>Increase in Loan Ceiling for Small Business Administration</i>		<i>Federal Standards for State Workers' Compensation Plans</i>	
Senate Banking Committee	March 12, 1974	Senate Labor Committee	June 20, 1974
<i>Need for Reform of the Occupational Safety and Health Act</i>		<i>National Health Insurance</i>	
Select Committee on Small Business, U. S. Senate	April 25, 1974	House Ways and Means Committee	June 21, 1974
<i>Need for Energy Related Loan to Assist Small Business</i>		<i>Need for Reform of the Occupational Safety and Health Act</i>	
Senate Banking Committee	May 1, 1974	Senate Labor Committee	July 31, 1974
<i>Need for Balanced Rural Development Committee on Agriculture and Forestry</i>		<i>Impact on Small Business of Materials Shortages</i>	
U. S. Senate	May 9, 1974	Senate Small Business Committee	September 6, 1974
<i>The Small Business Paperwork Burden</i>		<i>The Small Business Paperwork Burden</i>	
House Government Operations Committee	June 6, 1974	House Government Operations Committee	September 12, 1974
<i>SBA Loan Ceiling</i>		<i>NFIB's Proposal to Establish an OSHA Policy and Administration Review Commission</i>	
House Small Business Committee	June 19, 1974	National Advisory Committee of the Occupational Safety and Health Administration	October 24, 1974

NATIONAL FEDERATION OF INDEPENDENT BUSINESS

SURVEY '75



SMALL BUSINESS

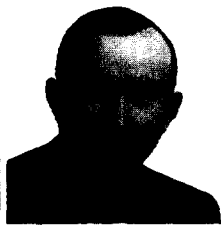
204 Billion Payroll*
34 Million Employees
5.7 Million Firms



BIG BUSINESS

81 Billion Payroll
13½ Million Employees
500 Firms

* Annual: estimated on basis of \$500 per month per employee



Wilson S. Johnson

REPORT FOR SURVEY '74

Strong support for legislative authority for House Small Business Committee wins through after 31-year NFIB battle. Small business legislation now considered in House on same basis as that affecting big business, education, labor, etc.

Strong support for small business exemption from OSHA and for OSHA "on-site, fine-free consultations" in connection with steps for compliance. Measures voted favorably in House, but Senate refused an exemption. Now in conference.

Strong support for ban on General Services Administration sales of goods of government grantees. NFIB credited with engineering critical turnaround.

Strong support of drive for liberalizing H.R. 10 private retirement tax allowances, providing for tax allowances for the financing of personal retirement plans by those not under formal programs, and for preservation of tax allowances for those involved in professional corporation and "owner-manager" programs.

Strong support for curb on "postal boutique" competition with independents in the stationery and office supply field. Report is that Postal Service has issued directive to all Regional Postmasters General forbidding advertising of "boutique" operations outside post offices themselves.

Strong support for bill to create a special commission to study paperwork burdens on small business, with report required at end of one year recommending reductions in these burdens. Measure cleared House and waits Senate action.

Strong support for bill authorizing additional \$1.125 billion for SBA revolving fund for financial assistance, \$400 million for government direct, low-interest loans, and SBA financial aid to firms injured by effects of energy crisis. Bill passed.

Strong drive in tax-writing House Ways & Means Committee for small business tax reform bill written by your Federation. Committee approves, on tentative basis, those provisions for liberalized Optional First-Year Additional Depreciation Allowance, and an extension of the permitted loss carry back tax feature from 5 years to 10 years during the first 10 years of a business's operation. Committee also instructs Treasury Department to report back within three months a simplified "LIFO" (Last In-First Out) procedure for inventory valuation, especially valuable to inventory carrying independents.

WASHINGTON STAFF ACTIVITIES FOR YOU INVOLVED THE FOLLOWING MAJOR TESTIMONIES AND STATEMENTS:

SBA Ceilings	Committee on Banking, Housing & Urban Affairs, Subcommittee on Small Business	3/13/74
OSHA Reform (Statement)	Senate Small Business Committee	4/24/74
Impact of Energy on Small Business	Subcommittee on Small Business, Committee on Banking, Housing & Urban Affairs	5/1/74
Rural Development Act	Subcommittee on Rural Development	5/9/74
Workmens' Compensation	Committee on Labor & Public Welfare, U. S. Senate Subcommittee on Labor	6/20/74
SBA	Committee on Banking & Currency, Subcommittee on Small Business	6/18/74
SBA Energy Related Loans (Statement)	Subcommittee on Small Business, Committee on Banking, Housing & Urban Affairs	6/18/74
National Health Insurance	Ways & Means Committee	6/21/74
National Health Insurance	Senate Finance Committee	7/5/74
OSHA Reform	Select Subcommittee on Labor, Committee on Education & Labor of House	9/19/74

Additional testimonies which occurred too late in the 1974 Congressional Session to be included in this report.